

Lifelong Learning 2010
subproject 4

SMEs and the participation of workers in formal learning
Case studies: Belgium (Flemish Community)

HIVA
18th of July 2008



CASE STUDY - SME 1

SME

- SME: is short for 'Small or medium-sized enterprise' (SME 1 should be read as: the company that is the main unit for analysis in this case study)
- NACE-code rev. 1.1: 74203 (Architectural and engineering activities and related technical consultancy)
- Sector family B (Services)
- Number of employees: 10

Interviewees

- Interviewee 1: employee (SME 1 - P1)
- Interviewee 2: line manager (SME 1 – LM1)
- Interviewee 3: personnel manager (SME 1 – PM1)

A – General Characteristics of the Enterprise

A.1 Main activity and characteristics of the organisation

SME 1 was founded in 1998. It started as a one-man business. Over the years there has been a steady growth in employees and sales potential.

The SME has one manufacturing site in Tienen, which is situated in the Flemish part of Belgium. Although the company has an English name and a small corporate website in four different languages (Dutch, English, French and German), the enterprise focuses mainly on the Belgian market.

From the beginning, the core business of the SME was designing solutions for various noise problems. Today, SME 1 is a small enterprise that offers tailor made, total applications and technologies for various particular acoustical problems. The enterprise mostly develops total concepts, from designing and manufacturing to installation. The development of special applications and technologies for specific problems includes survey, design, consulting and assistance.

Thus, the enterprise is situated in the field of the acoustics industry (building and renovation), yet at the same time the company can be situated in the industry of wholesale and retail trade. The company sells different sound absorbing or noise

insulating materials and techniques to other companies and to individuals. A small service portfolio is to be found on the company's website.

For the moment the enterprise employs 10 people:

Employees	Number of employees	Main tasks
Managers	2	Management
Office workers (including one personnel manager)	3	Making invoices, price calculation and fixing and price adjustments, submitting and inviting offers, ...
Workers	5 (including one line manager)	Research, measuring, surveying, advising, producing, installing applications and constructions (on-site)
Total	10	

Half of the employees take part in the company's production in a direct way. The line manager schedules the work and takes responsibility for the work done. This line manager is the link between the workmen and the management and administrative staff. The average age of the employees is 35 years. All the people working for the SME are male except for two people on the administrative staff. Three employees have a migrant background: two Portuguese workers and one German office worker. The languages of communication are Dutch and French. All employees have to speak one of those languages so communication can not give rise to confusion or misunderstanding.

Up to now, the average employee stays with the firm for about two to three years. This is most likely going to increase since the company is expanding and there is a successful return on investment.

There is no explicit connection with unions within the enterprise (no employees council is installed) and there is little interaction between the SME and representatives of trade unions. Because of the company's size, there is no need expressed to intensify this interaction. Still most of the workmen are member of a trade union, which is not exceptional in this line of work.

A.2 Business strategy

The firm is partly focused on production and partly on wholesale and retail trade. As far as the production aspects go the SME's business plan foresees an increase of the standard products and series for large companies. The enterprise will most likely force up the production and dispatching of smaller standard DIY (do-it-yourself) articles too. The production for small private enterprises and individuals (families, schools...) will be

run down, especially for the tailor made products. So the business-to-business aspect (production and assembly) will stay one of the key elements of the business strategy. Especially the SME's approach towards the (new) market of large companies will take a reorientation of the work.

According to two respondents (LM 1, PM 1), the company can claim a unique position in this field of work today. The enterprise seems to be the only plant in operation in this type of work in Belgium. There are as good as no equals or matches to be found in Flanders and although there are companies who claim to have similar products, those products are mostly considered as ineffective by the employees of SME 1, says the personnel manager (PM 1).

Although the SME has a specific attention for elements of total quality management, no total quality management certificate is aspired.

“The SME is interested in total quality management and the guidelines for quality management to achieve and measure success. ISO, a well known management system standard, for instance. Achieving an ISO certificate entails the fulfillment of several requirements, such as customer's quality requirements and applicable regulatory requirements. For this company it is hard to fulfill all those, since it does not mass-produce or produce a single standard product. (...) Today, most of the company's products are custom-made goods with various products and several raw materials.” (SME 1 – PM 1: 58-64)

Innovation in the company's production line is one of the key topics of the (line) management. The market of advice on acoustics and the creation of acoustical materials is one that is known for paying major attention to research and to the development of new products. According to the line manager (LM 1) researchers constantly experiment with new ways and new materials pursuing the aim of reducing noise and sound effects, for instance in huge factory halls. It is necessary for the SME to keep track of all research and innovations.

The SME works in various places in Belgium and recently the firm has started working abroad (UK, Luxembourg ...). This internationalisation may continue in the future although it is not a specific ambition.

A.3 Current challenges and initiatives to meet these challenges

A new chief executive officer (CEO) has joined the enterprise recently. Since then, the organisational structure is in transition. Attracting this new main manager was the start of a growth process towards a new, equilibrant and more pyramidal structure. This new managerial structure includes a prescribed career path for every employee, a growing attention for training needs, new forms of communication, a new system of rewarding employees, etc. So far the company's drastic turnaround seems to be successful (P 1).

B – HRM, HRD and Training Policy of the Enterprise

B.1 Organisation of responsibilities and core processes in HRM and HRD

As mentioned before, the personnel structure of the organisation today is a pyramidal one. The company's two main managers hold ISCED level 5. They both have a master degree (engineering and economics). The three employees of the administrative staff mainly hold ISCED level 4 to 5 (bookkeeping, ...). The five workmen of the company, working at grass roots level, are mainly low or medium qualified (ISCED levels 1 to 3). Most of them completed general¹ (ASO – *Algemeen Secundair Onderwijs*) or technical secondary education² (TSO – *Technisch Secundair Onderwijs*) specialised in cabinetwork, coachwork and even cooking. Nearly none of them took a specialised vocational training in the field of acoustics.

All respondents (P 1, LM 1, PM 1) display the need for new and more personnel. The SME is clearly short-staffed right now. The growth of the workforce is a major priority in the HR policy of the company at this moment. Such being the case, finding the right employees turns out to be very difficult.

There are different reasons mentioned by the three respondents: (1) since the enterprise is situated in a small niche-market, it is not very likely to find a lot of candidates qualified for the job. According to one interviewee (P 1), it takes about three years to know all technical aspects in the field of acoustics. So, an employee should (2) show the will to learn all technical aspects on the job. Those aspects can not easily be transferred to later jobs. (3) Besides the aspect of technical know-how, all employees should remain very versatile and be able to take up different aspects of the production. According to the interviewed worker (P 1) there is no fixed structure of assigning specific tasks to specific employees. This happens more or less spontaneously, bearing in mind the employees' competences and experiences.

The strategies used to attract new workmen, have not turned out very successful up to now and most of the SME's efforts proved to be in vain. Especially the aspect of motivation seems to be a source of the difficulty of attracting new personnel. Very few candidates seem, in words of one respondent, "eager to learn" or "willing to learn the job" and "make an effort for the company" (LM 1).

The aspect of qualification is less essential to the company in the process of recruiting new employees. In the process of engaging additional workmen, there are few specific

¹ General secondary education (ASO – *Algemeen Secundair Onderwijs*) places an emphasis on broad general education, which provides a very firm foundation for passing on to tertiary education (Ministry of the Flemish Community, 2005).

² Technical secondary education (TSO – *Technisch Secundair Onderwijs*) is, like general secondary education, also part of the uniform system for full-time secondary education. It places a special emphasis on general and technical/theoretical subjects. After TSO, young people can exercise a profession or go on to tertiary education (Ministry of the Flemish Community, 2005).

demands in terms of certificates, experience or specific technical knowledge or insights, although every job interview does include a technical test.

It should be noted here that at this moment the Belgian labour market is suffering from a huge scarcity of qualified workmen. A lot of vacancies remain open and a lot of jobs unfilled. Finding qualified employees is a problem many SMEs are faced with. The employment is clearly growing at a higher pace than the workforce.

B.2 HRD objectives

According to the personnel manager, although there is a prescribed career path for every employee not much flexibility is possible relating to the jobs and functions. In the eyes of the personnel manager (PM 1), the vertical mobility is always very limited in a small-sized company like this one. The worker (P 1) that was interviewed confirms this and expresses little ambition of reaching some higher position in the SME's structure. This does not mean that there is no attention for the professional development of the employees. This attention is mainly founded upon the needs expressed by the employees. These needs can be training needs, but just as well needs related to working conditions:

"If a machine is broken, the management will make an effort to replace it so that the employees can use it again, no matter what the time or budget is." (SME 1- P 1: 46-48)

The HRM objectives are not only formed in a reactive way but just as well in an inducing and proactive way. For example, the manager responsible for human resources collects all relevant training offers and makes suggestions for each individual employee. One of the key elements in every HRD action is the steady increase of technical know-how for the SME as a whole.

B.3 HRD strategies and use of public support schemes for HRD/training

In the SME different strategies are being applied for continuing human resource development and training of the workforce. One of the tools used is the formation of working pairs: experienced workers introducing new workers.

"Sometimes, for some tasks, the employees are being divided into groups, mostly in pairs: by making an experienced employee working together with a less experienced one... people can learn from each other while they carry out the order or assignment. In a short period, without extra specific investments, the new employee will begin to get the hang of our profession... learnt through experience." (SME 1 - LM 1: 104)

One could see this tool as system of mentorship, although it is not called so by the respondents. It is seen as an informal tool to make new employees pick up the routine of experienced colleagues.

Another tool the management uses to enhance the skills level of the workers, is the extensive use of meetings. During those meetings, the knowledge, competences and attitudes employees learn by executing work tasks is formalised and steered towards specific goals. For the managerial staff these moments are an opportunity to explain new targets and projects to the executive employees. The management tries to model these moments not just as ways of instruction but also as learning moments by using didactically sound tools. For example: graphics, pictures and whiteboard are being used on many occasions to show the staff how a specific (non standard) type of product needs to be made.

Another essential tool in the SME's HRD policy is the use of evaluation and appraisal interviews. This is especially the case for newly hired employees. The enterprise uses a system of recurring moments of evaluation of the performance of an employee (after 10 days, 3 months, 6 months, 1 year and then every year on). Learning is an intrinsic aspect of these evaluation moments.

The development of a goal-oriented HRD policy is a *work in progress* for the SME. A new initiative is the design and implementation of a new system of rewarding employees based on their accomplishments and competences. The enterprise's management has designed this system with the backing of a *sociaal bureau* (i.e. an integrated HR service).

So far, co-funding opportunities are not used often by the company's HRD.

The SME does use an offer of VLAFO (*Vlaams Fonds*). The *Vlaams Fonds* is the name that is generally used for the *Vlaams Agenstchap voor Personen met een Handicap* (VAPH), which is the Flemish Agency for Disabled Persons. The VAPH aims to promote participation, integration and equal opportunities for the disabled in all areas of social life, by subsidising facilities and services for people with disabilities, for instance work and training.

In this case, the SME receives a financial contribution of VLAFO to cover (some of) the costs of employment of one worker. The SME functioned as a trainee post for this person, but the person fitted well into the group and he was appointed for a standard contract. Beside this, the SME does not benefit from (financial or other) interventions by public or government services. Nor does the SME receive any subsidy or (financial) aid from local authorities.

The SME has used, in the near past, *opleidingscheques* (Training Vouchers). The *opleidingscheques* are, in a dual system with the *ondernemerschapsportefeuille* (Portfolio for Enterprises – a subsidies scheme for small and mid-size Flemish companies), a cost reducing measure that covers some of the training costs, at least

when the training is offered by a certified training center. The *opleidingscheques* are an initiative of the Flemish Government to stimulate lifelong and life wide learning.

The educational plans do not depend on the availability of public support.

B.4 Significance of training activities

The company doesn't have a global training plan for the enterprise. Essential in the SME's approach towards learning activities is the search for solutions for ad hoc (training) needs and deficiencies, most often by the company's management and more rarely by the employees.

The SME's policy on learning does not include any benchmarks or targets individual employees have to meet. Neither is there a minimum or average quantity of learning hours that each employee has to achieve yearly. The decision to train is made for each case separately. In-house training in collaboration with an educational organisation is seldom organised.

The company has a specific budget for training and educational activities, although this is – according to the personnel manager (PM 1) – not a big budget. The budget is not fixed, but is rather flexible, corresponding to the company's needs and challenges.

Overview of off-the-job training activities of employees supported and financed by the SME over the last years

Description of the course	Duration	Educational provider	Type of education
Postacademische vorming - <i>Hogere Cursus Akoestiek (Advanced Course on Acoustics - academic education on acoustics)</i>	75 hours	University	Post academic education
Electric welding		RTM - <i>Regionaal Tewerkstellingsfonds voor arbeiders van de Metaalverwerkende nijverheid van Vlaams-Brabant</i> (sectoral training fund for the metal industry of the Province of Vlaams-Brabant), VDAB (the	Vocational training focused on the labour market - a custom-made course for people in this line of work

		Flemish Public Employment Service) and RVA – Rijksdienst voor Arbeidsvoorziening ³ (National Employment Office)	
Fork-lift truck	5 days	VDAB (the Flemish Public Employment Service)	Refresher course
Safety and first aid course	Short		Open training programme
Working at heights	Short		Open training programme
Bookkeeping	10 days	Kluwer Training – a commercial training company	Open training programme
VCA – Veiligheid, gezondheid en milieu checklist aannemers (Safety Checklist Constructors)			Vocational training leading to a VCA-certificate for the company (with a three year validity)
ICT, accounting, ...			

Not all training activities are significant to the enterprise in the same way. Some of the (technical) courses are necessary for completing a certain assignment or task. Others are responding to an individual need, interest or suggestion. Some courses (like the VCA-course) are chosen because the clients expect the company or the employees to have a certain certificate. These last courses are the most important in terms of quality management towards the market. The line manager (LM 1) indicates that the VCA-certificate is especially essential when the SME is working for big firms. Although it is not a statutory requirement, the VCA-certificate is asked by a lot of those clients.

C – Formal Education within HRM/HRD of the Enterprise

C.1 Understanding of and awareness for formal education by enterprise

For none of the respondents the difference between formal, non-formal or informal learning seems to be very important or useful. They are not used in the SME's terminology related to learning. The aspect of certification, as a mean to make a difference between those different types of learning, is not a prior aspect to the

³ The RVA is the federal social security institution. RVA is responsible for unemployment insurance schemes.

interviewees, neither from the perspective of the SME nor from the individual perspective.

Of course this does not mean that from the perspective of the company a certificate does not play any role. The VCA-certificate proves the opposite. VCA is short for 'Safety Checklist Constructors'. Its purpose is to make working environments safer and to reduce the number of accidents on the shop floor. A large part of the construction companies today need to have this certificate, which can only be obtained by attending a course and taking an exam. Because this certificate is becoming increasingly mandatory the SME chooses to invest in it. The motivation in this case is clearly external, since the certificate can be seen as one of the means to convince (potential) clients to choose for the enterprise.

For the individual employee the certificate resulting from a formal educational training can be of importance too. The interviewed participant (P 1) highlight that taking a course that results in a certificate of any kind does not make the certificate the number one reason for taking the course in the first place, it can, however, be an interesting side-effect of the learning effort. The certificate can strengthen the curriculum vitae of an employee and is something to fall back on in case one needs or wants to apply for another job in another firm.

When it comes to formal education, the SME has no fixed general approach. Since the SME has just recently started explicitly paying attention to learning opportunities on and off the job, the decisions are still taken on an ad hoc basis. This means that for every training need, the company tries to select the type of training and provider with the highest yield. Sometimes this decision leads to a strategy of informal or non-formal learning, other times the SME chooses for a formal learning process. In some cases elements like certification shape or determine the decision. In other cases other elements will play a more essential role, like: the length and time of the course, the registration fee, the way the content of the course can be implemented within the SME... Especially this last element is, according to the line manager (LM 1), often an important aspect in the decision-making process. It is vitally important for the SME's management that the knowledge and know-how acquired during a training can be implemented shortly afterwards. That is one of the reasons why the company prefers short training courses above long-term ones.

With regard to the SME's core business there is not much vocational training to be found on the Flemish market. The line manager (LM 1) contended that there are just a few schools or training centers where one can learn to be an expert in the production of acoustic material. No more than two could be named by him. The absence of specialised training is clearly an aspect that influences the company's approach to lifelong learning. Because of this, the management's choice for in-house training offered by colleagues seems to be a logic one to the respondents. The participant, for example, accentuates that learning for him is, in the first place, an activity that happens while executing tasks within the enterprise:

“The way I learn my job, is just a matter of keeping eyes and ears open. It is matter of working together with more experienced colleagues (...)” (SME 1 - P 1: 70)

Recently, since the company has attracted a new main manager, there has been a reversal in the policy on learning. It has become more central in the SME's HRM approach.

C.2 Experiences with formal education in the enterprises

Clearly the SME does not have much experience with formal education so far. There is no systematical integration of formal adult education in the overall training activities.

In the training policy and overall HRD strategy of the organisation, offers that lead to a certified qualification recognised by the Flemish educational authorities are mixed with offers that do not lead to any certification. As we have mentioned before, the specific qualification an educational process leads to does not play a major role in the decision which employee will attend which training or course.

In some cases, the company turns to a provider that belongs to the Flemish educational system. The 'Advanced Course on Acoustics', for example, is to be seen as a form of higher education provided by a university in cooperation with private, mainly non-profit organisations like the *Koninklijke Vlaamse Ingenieursvereniging* (Royal Flemish Association of Engineers), *TI Genootschap Akoestiek en Trillingen* (Technical Institute Acoustics and Vibration), the *Belgische Akoestische Vereniging* (Belgian Association on Acoustics), ... This educational offer is tailor made for professionals (industrial engineers, ...) working in the industrial sector of acoustics, and exists for over thirty years now. The course leads to an academic degree. Since it is a course offered by university, clearly it is oriented towards high-qualified participants with an academic degree or a degree in higher education offered by higher education colleges. One of the main managers of the SME attended this course several years ago. It is, according to the respondents (P 1, PM 1), probably the only academic course in line with the SME's business.

Besides this form of formal education, the SME usually invests in more short-term education linked with the technical know-how that is needed or desirable on the shop floor. An important provider in this perspective is the VDAB (*Vlaams Dienst voor Arbeidsbemiddeling* - the Flemish Public Employment Service). The VDAB offers and recognises vocational training focused on the labour market, closely related to the experiences, requirements and educational needs of individual employees or job-seekers. The duration of the programmes varies greatly. The VDAB is a public institution supervised by the Flemish minister of Employment who is - at this time – also minister of Education. The organisation is controlled by representatives of employers and trade unions (on an equal basis). It has several tasks and offers an extensive service package

(career guidance, pass on job vacancies, job brokerage, reintegration of job seekers, etc.). One of the primary objectives is offering training courses (from pc-training and welding, up to languages and fork-lift truck operator). Although the VDAB is not part of the educational system, the VDAB provides trainees with a specific certificate. These certificates are not comparable to official diplomas awarded by the educational sector, but are nevertheless well known and highly regarded by employers (e.g. SMEs) (Rosen & Demeyer, 2008). According to the International Standard Classification of Education (ISCED) the training courses by the VDAB are to be situated on level 1 to 5B (OECD, 2004). The typical starting age of the different programmes is above eighteen (as education is compulsory until the age of eighteen).

C.3 Regulations on and support for formal education

Most of the decisions on adult education are made by the SME on an individual basis. There are no specific rules or regulations, neither is there a global training plan for the entire work force of the SME.

However, this does not mean that every decision is made only by two persons: the participant and his or her manager. With regard to aspects such as timing, it is usually a matter of deciding in consultation.

“How is decided who can attend a course and when? Every week there is a meeting with the staff. At this meeting, all work for the next week is planned. Together with the line manager the staff decides if an employee on the shop floor can be spared, so he can follow a specific training.” (SME 1 – PM 1: 156)

As a result of this routine, courses are usually followed during more quiet periods – moments when not too many work orders are expected (January, July and August). In this way, the schedules for the continuing education of the employees are well adapted to the working schedules. The quote above also indicates clearly that most of the participation in adult education can take place during paid working time. Sometimes a fraction of the course or training may overlap with the spare time of the participant, but this is quite exceptional.

The line manager (LM 1) indicates that the general managers do not really supervise, evaluate or assess the courses attended by the personnel, neither when they are taking place nor afterwards. They rely on the reputation of the educational providers. The SME's management carries more weight at the beginning of the educational process: the managers are judge the budget and the time earmarked for training and learning in general. Above all, they have an eye for the company's need and try to gear all learning activities to these needs. By doing so, it is needless to say their view affects the decision-making on participation in a substantial way.

C.4 Assessment of promoting and hindering factors for the use of formal education within the HRD approach

Lack of time is one of the most hindering factors mentioned by the respondents (LM 1, PM 1). The HRD approach has a preference for short courses, just because it is difficult to get along without an employee for a longer time. On a total work force of ten employees the aspect of time outweighs other aspects like the possible benefits of a training course.

When it comes to formal education, in many cases it takes a half a year, a full year or (cumulative) several years to end one programme. This cost of engaging in such a process can turn out to be very high for the SME.

One of the factors promoting the use of formal education is the need to keep track of changes in the broad field of acoustics. Retaining a thorough knowledge of all aspects of this branch of work is only possible through regular exchange of knowledge with other experts from outside the company (other SMEs, stakeholders, etc.).

D – Participation in Formal Education, Workplace Learning and HRD Policies of the enterprise

D.1 The relation between workplace, workplace learning and the chosen formal education

The participant (P 1) indicates that courses he has followed (electric welding, operating a fork-lift truck, etc.) were well adjusted to his tasks in the enterprise. The courses were also meeting his individual interest and demands. From his point of view, a five day course to become a fork-lift truck operator is too long, since he already had some experience in using a fork-lift truck. He describes the theory given during the course as very interesting; since this is not something one can learn by looking at others or operating a truck oneself. He also highlights the importance of being able to learn at one's own pace so one can acquire all aspects in the best possible way.

The overall HRD approach of a firm should make this possible.

D.2 Decision on the formal education, processing of the decision and support/nonsupport by the enterprise

The participant (P 1) we have interviewed for this case study started working in the company two years and three months before the interview. He describes himself as someone who still has to learn a lot. When the company creates the possibility to learn something in-house or off the job he gratefully takes the opportunity.

The participant does not have a degree of higher education provided by a college for higher education or a university. During his secondary education he enjoyed a specialisation in coachwork (painting, etc.). This is not something he can use in his current job. In his previous job he worked as a bricklayer. The industry of acoustics is

thus rather new to him. In the past years he grew into this line of work by learning while working, most of the time not structured by a specific didactical intervention but just by executing new work tasks.

The worker experiences great support from his employer when it comes to learning, be it on or of the job. This support is externalized in having the tuition fee paid and the tasks rescheduled during the time of the course. Those are considered important motivational factors to the participant. Other arrangements are rarely made. The employer does not hold out the prospect of a significant wage increase to the participant; neither has the employee automatically the prospect of a stiff climb on the career ladder. The reward for taking up a course or training is to be found in the know-how one picks up and the way the SME makes this possible for the employee, says the participant. The process of decision-making is in the view of the participant a matter of “give and take” – with flexibility on both sides:

“If one learns something that benefits the work and the enterprise, the employee should have the opportunity to learn during the regular working hours. (...) These working hours are – of course - not the same every day. Some days, when we have to work in a firm a 100 kilometers from here, a working day is not a matter of nine to five. In a small firm, there should be some flexibility among the employees. (...) But it is always a matter of give and take. For instance: I get to use the company’s van to drive home after work, but in exchange I take care of the maintenance of the vehicle.” (SME 1 – P 1: 292-310)

D.3 Formal education, individual career goals and the work-family-personal life balance

Participant 1 is very satisfied with the learning opportunities he receives in the context of his job. These opportunities mainly focus on the technical and practical know-how desirable for a worker in his line of work. Nevertheless the training seems broad enough to make the knowledge and know-how transferable to other jobs. In this regard, there are no specific disadvantages of taking a course or engaging in a formal learning process as an employee. There is only the advantage of having another certificate which can only make you stronger if things turn for the worse in the current job.

Up to now, the work – family – personal life balance receives a positive evaluation by the participant. No real conflicts between the work tasks and the educational programmes are mentioned by the respondent. Of course, timing and the pressure of time sometimes make it hard to attend education events in the first place. Most of the work takes place against the clock and clients can be very demanding when it comes to deadlines. This has an effect on the time management of the workers and on their motivation to enroll in a training course:

“All of the courses take place during working hours (...). That is the reason why extra learning activities are mostly planned in periods when the workload for the work force is not peaking. More quiet periods, like the first weeks of the year... It's not easy to encourage employees to enroll for a course during busy periods.”
(SME 1 – P 1: 276-284)

D.4 Assessment of promoting and hindering factors for the use of formal education for supporting the daily work and for pursuing individual career goals

All respondents (P 1, LM 1, PM 1) are highly satisfied with the support and the extent of it by their company. The process of restructuring the SME has brought learning more into the prominence. The company collects training offers that are sent to the company and opens up all learning opportunities to their employees.

The training courses the participant (P 1) attended clearly had a surplus value for him and for the SME. Since the company takes away some of the factors hindering participation (money, time, ...), engaging in an educational process up to now did not intrude upon the employee's personal life.

E – Synthesis - The Significance of Formal Education within the HRM and HRD of the enterprise

Although the SME's crucial start-up years are (just) over, the company is still expanding. This expansion causes several new learning needs. Because technology is evolving quickly in the business of applications and technologies for acoustical problems it is important for the SME that the employees are and “stay eager” to learn. The company's focus on quality and the scarcity of qualified workmen on the Belgian labour market enhance that need.

As a result, the concept of continuous learning has become quite prominent in the company's new structure, business strategy and HRD approach.

Formal learning is however not a top of mind issue among the workers. An acknowledged certificate is not much more than a welcome bonus. The fact that a course leads to an acknowledged certificate is – in most cases - not of great importance to the SME either. Certificates are only interesting and / or necessary when they open doors or make things possible for a firm (e.g. attracting new customers).

The SME favors short courses with a direct use for the company. All training activities promoted and supported by the company, fit in the employees' regime and workload. The way these activities are being organised does hardly affect the productivity. This is necessary because the lack of time is the most important hindering factor for participation in any kind of education.

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Website

- The company's website

CASE STUDY - SME 2

SME

- SME: is short for 'Small or medium-sized enterprise' (SME 2 should be read as: the company that is the main unit for analysis in this case study)
- NACE-code rev. 1.1: 74872 (Other business activities n.e.c.)
- Sector family B (Services)
- Number of employees: 14

Interviewees

- Interviewee 1: executive director (general manager) (SME 2 - GM1)
- Interviewee 2: programme advisor (participant) (SME 1 – P1)

A – General Characteristics of the Enterprise

A.1 Main activity and characteristics of the organisation

SME 2 is a commercial educational organisation. The mission of the organisation is to stimulate personal development and to generate understanding between people. SME 2 tries to achieve this by taking people out of their familiar environments (e.g. workplace) and challenge them. According to the mission statement of the enterprise this implies: “a safe but demanding adventure experience which inspires responsibility, self-reliance, teamwork, confidence, compassion and community service.” Aligned with this mission, the company’s baseline concludes that a mind stretched by a new experience can never go back to its old dimensions. The key aspect in achieving this is giving people new experiences.

SME 2 is part of an international network of similar organisations. The first one was founded in 1941 in Great Britain as a school that focused on ‘adventure based education’. From the start, the activities were advocated as a training vehicle through which youth could learn about themselves, become aware of the consequences of their actions and develop compassion for others.

SME 2 was founded in 1977. It modified and adapted the vision of ‘adventure based education’ to meet the needs of a broad range of individuals and groups in Belgium. The firm is situated in Leuven, in the Dutch-speaking part and centre of Belgium. It started up as a non-profit (micro)organisation but slowly turned into a small-sized for-profit organisation.

The enterprise offers a variety of custom-designed programmes in English, Dutch and French. The target groups of the SME include corporate teams (functional and cross-functional), youth at risk and special interest groups. The client data base of the SME mainly contains big firms and multinational organisations (for example: Inbev, Chrysler, Total, Philips, etc.). The SME hardly ever works for other small or medium-sized enterprises.

The SME offers programs with open enrolments and tailor made programmes. Among the first are programmes focusing on the following topics: train the trainer (working experientially with groups), leadership, personal development and interpersonal effectiveness, first aid training. The tailor made programs cover a great variety of themes, methods and custom-designed learning opportunities (teambuilding, coaching, SWOT-analysis).

Today, the company employs thirteen full-time employees in Belgium and one abroad (France).

Employees	Number of employees	Male / female	Main tasks
Managers	4	2 / 2	Management
Programme advisor	1	- / 1	Product preparation (agenda, dispatching, supporting general managers)
Administrative staff	2	- / 2	Administration
Training staff	4 + 1	3 / 2	Offering training, ...
Cleaning personnel	2	1 / 1	Cleaning
Total	14	6 / 8	

This group of fourteen core employees frequently works together with trainer-consultants with a temporary contract (freelance basis). They bring in a wide range of life and work experience into the SME as they are at the same time working as a teacher, university professor, independent consultant, or social worker.

A.2 Business strategy

The respondents perceive the SME as the leading company in the market of experiential learning. There are few competitors with similar products and they mostly work for other kinds of companies. Therefore there is, in the respondents' view (GM 1), a rather low to medium level of competition.

The business strategy of the SME focuses on quality in facilitating the learning of a group and the development of each member of that group. According to the company's website, this is to a great extent a matter of using the right trainers, training methods and environment.

To preserve and control the quality of all initiatives, the SME uses the Q-for quality system standard (i.e. European quality assurance for training and consulting organisations). Q-for is a quality label that is developed for the market of training and advice. The use of Q-for has led to result-based assessment of - for example - customer satisfaction. According to the executive director (GM 1), the SME scored high on customer satisfaction. Besides the satisfaction of the professional clients, the Q-for method also audits the quality of the services, the professionalism and the seriousness of the SME. Thanks to the Q-for certificate, customers can use *opleidingscheques* (Training Vouchers), granted by the Flemish government, to pay the training.

Another element in the total quality management of the SME is the BNFO-accreditation. BNFO is short for *BeroepsFederatie van NatuursportOndernemingen* (Professional Federation of Outdoor Sports Enterprises.). The BNFO has a counselling programme that is called 'Guidance System Safety and Environmental Protection'. The aim is to accredit outdoor sports businesses with a responsible approach to safety and environmental protection. SME 2 was accredited by the BNFO in 2004. This formal recognition is valid for three years following the accreditation decision. The renewal of the accreditation requires a new audit.

The education and training market in the Flemish Community is rather segmented. According to the executive director (GM 1), a comparison with other companies specialised in training and consultancy, might lead to the impression that the training offered by SME 2 is expensive. This is especially the case when the enterprise is compared with one-man businesses or other small companies (mostly bureaus that market convention and meeting facilities and incentives). However, says the executive director, the offer of those companies almost never covers the same content or reflects the same professionalism.

A.3 Current challenges and initiatives to meet these challenges

One of the main challenges of the SME is to continuously train the staff. The management of the SME emphasizes the importance of the technical, theoretical and pedagogical know-how of the employees. Training is described as a way of keeping all employees, senior as well as junior employees, satisfied and motivated, and also as a way to ensure all clients the best possible service.

Another important key in controlling the know-how and knowledge of the employees is to be found in the selection procedure the enterprise uses when new employees are attracted. This is a long and extensive procedure, for employees as well as freelance workers.

One of the major future changes in the work force of the SME is the increase in senior employees (on average between 40 and 50 years old). To counter that trend the SME will have to invest in younger employees, says the executive director.

One of the current challenges related to the company's products, is the growing market for short training courses (one day or half a day). The SME will have to adjust the training offer to that trend.

B. HRM, HRD and training policy of the enterprise

B.1 organizations or responsibilities and core processes in HRM and HRD

According to the executive director (GM 1), the SME is well known as a good employer, setting high standards for the employees. Every member of the training staff of the SME needs to (1) be multilingual (English-Dutch, French-Dutch or French-English-Dutch), (2) have the desired know-how and knowledge of experiential education and (3) be experienced in working with groups. Besides that, each trainer needs to be good at sports and love the outdoors. They also need to have a driver's license type D (for driving large vehicles) and have to pass the Wilderness Advanced First Aid (see below).

The careful selection of employees is one of the core aspects of the SME's HRM approach. Not only the job interview is used as a selection tool, but each new member of the training staff also has to pass two exams. The first one is an evaluation by the management of a training course of one week given by the applicant. The second one is an exam on sport techniques. Both exams are designed by the management.

Most of the company's employees are high-qualified (ISCED 5 to 6). They all come from a variety of backgrounds (adult education, psychology, physical education, social work, law, etc.).

According to the director (GM 1) the staff turnover rate is low. The company's website indicates that most of the trainers have worked for the SME for more than 7 years and many significantly longer.

B.2 HRD Objectives

Since the company itself is active in the broad field of training, the awareness of the learning needs of the personnel is not a problem nor is the knowledge of the existing educational initiatives and courses. The SME is aware that the development of employees is an ongoing process. This HRD-objective is summarized in three aspects: take up, regularly refresh and expand the range of skills and knowledge of employees. The way these three policy aspects are converted into practice, is defined by the SME's management. There is no fixed career plan for all employees. Their careers develop in a

natural and individual way. The executive director underlines the importance of employees who are “eager to learn”. In other words: it is a global HRD objective of the SME to trigger people to train and educate themselves.

B.3 HRD Strategies and use of public support schemes for HRD / training

As the SME is specialised in training, advice and consultancy, it is very well informed on the learning opportunities for employees. Collecting information on courses, training, etc. is not done at a central level. It is a task for every single employee.

There is no real training plan for the company as a whole. Still, states the executive director (GM 1), some aspects of training and lifelong learning – the framework – are written down. The type and scope of educational offers an individual employee enrolls in, on the other hand, are open. According to the respondents (GM 1, P 1), it is very hard to say in advance when an employee will be involved in education. However, it is a general rule that no employee can be (or stay) in the SME for more than three years without any education or training.

The SME does not use any public support or (co-)funding to back the participation of employees in lifelong learning financially. In the past the SME has used the *opleidingscheques* (Training Vouchers) in order to be reimbursed half of the course fees. This is no longer the case because applying for the *opleidingscheques* involves too much administrative work.

B.4 Significance of training activities

As mentioned before, the necessity of continuous learning is very clear to the SME. Not only trainers, tutors and instructors working for the company are involved in an ongoing educational process, the other employees (programme advisor, administrative staff and cleaning personnel) are also asked to keep on refreshing and expanding their knowledge and competences.

This is reflected clearly in the way new employees are being trained. Every new employee will get an in-house training of 50 days. This training consists of both informal and formal types of learning, finished off by two exams (see above).

The informal learning is supported by mentorship. This means that a new employee will work together with a more experienced one. In the case of the interviewed participant, this is:

“... Accompanying the executive manager to meetings with clients, joining trainers on location, ... (...) these types of learning during day-to-day experiences do not have prescribed and clear goals. Nevertheless, these occasions present the opportunity to focus on the content and core business of the organisation...”
(SME 2 – P 1: 248-252)

By doing so, the employee will slowly learn how to fulfil assignments autonomously. In the beginning a new employee will not get any difficult assignments. He or she will have the time to grow into the job and will be given more tasks gradually.

Besides the mentorship, the respondents stress out other ways in which the employees exchange knowledge within the organisation (exchanging books and articles, talking about theoretical concepts, sharing experiences, etc.). This exchange of information is either done orally or by e-mail. Because providing colleagues with information they can learn from always happens intentionally, this practice is a way of formalising informal and incidental learning.

For more formal types of adult education, the SME calls in other educational organisations. Over the last couple of years, this has been the case for several courses: a therapist course, a course on Gestalt therapy, on group counselling, management training, business management, language courses, software introductions, etc. Those courses usually take place off the job.

The executive director (GM 1) underlines that training of the employees entails both hard skills (knowledge, technical know-how) and soft skills (communication and interpersonal skills). With regard to the soft skills all courses are concentrating on issues, themes and situations that might occur during the job execution. Like that, the SME aims for a good cross-fertilisation of the content of the learning activity and the professional activity of the employee. In this respect, not only courses on hard skills fill possible learning gaps in the SME:

“Especially the soft skills the employees learn can offer and merit to the SME. The approach is “when you enrol in a training course, you have to be able to give something back to the organisation”. Employees tell other employees about the things learnt. (...) For instance: someone attended a course on business management. The content of this course is shared in team meetings.” (SME 2 – GM 1: 366-370)

C. Formal education within HRM/HRD of the enterprise

C.1 Understanding of and awareness for formal education by the enterprise

The employees of the firm do not use the terms formal, non-formal and informal learning very often. Because the SME itself is active in the field of training and education, the involvement in different kinds of educational processes (some leading to certification and others not) seems a very natural thing to the respondents. Within the HRD strategy, there is little distinction between formal adult education and non-formal adult education.

However, for the sector of training, advice and consultancy, qualification and certification does play a role. Potential clients consider certification as an aspect of quality. The executive director indicates that the clients increasingly attach importance to certificates:

“When attracting new personnel, certificates and diplomas are of no great importance to the enterprise. What is important to us: can he or she do the job and hold his or her head above the water... Yet it seems that more and more clients attach a great value to certificates. Because of that, we do too.” (SME 2 – GM 1: 164-168)

C.2 Experiences with formal education in the enterprises

As to be expected of a SME specialised in learning activities, the company has a lot of contacts with other providers of formal education as well as non-formal education.

A good illustration of such contacts is the new collaboration between the SME and a college for higher education, the *KHLimburg – Katholieke Hogeschool Limburg* (Catholic college for higher education in the province of Limburg). Together they have organised a new postgraduate programme⁴ on Adventure Education.

The employees of the SME gain advantage of such contacts and collaborations. After all, when a SME has a good insight in the learning market, it will probably give the own employees more access to that market. For training in management and counselling for instance, the SME has in the past called in educational providers like colleges for higher education and management schools (for example, the Leuven-Gent Vlerick Management School) to offer courses for the employees. This is also the case for courses on therapy and Gestalt Therapy.

Nearly none of the courses are followed by all employees. However, some courses that are of particular interest to the SME are being followed by more than one employee at the same time. This is the case for the Wilderness Advanced First Aid (WAFA). This is a comprehensive medical training course designed for outdoor recreationalists or wilderness trip leaders who venture into moderately remote and challenging environments. The course prepares employees for emergency situations that require prolonged patient care, harsh environments and improvised equipment.

This course, followed by the members of the training staff of the SME, was given in 36 hours spread over several days. It consists of a combination of lectures, discussions, and practical hands-on sessions. According to the WAFA-website, successful completion with certification is based on 100% attendance, satisfactory performance on homework assignments and written test, demonstrated proficiency in practical skills and

⁴ Postgraduate courses are designed for students who want to strengthen their competences or attain specialised expertise in the competencies acquired in a bachelor or master programme. Both colleges of higher education and universities can organise these courses. A postgraduate course is concluded with a certificate (Ministry of the Flemish Community, 2005).

a grade of 80% or better on the final written exam. All participants who successfully complete the WAFA course receive a certification card, an Anaphylaxis certification card and Adult CPR certifications from Wilderness Medical Associates (WMA). WMA is a specialised American provider of medical training and risk management. It is not a part of the formal education system (schools, colleges, universities and other formal educational institutions) in Belgium. It does, however, show how the SME makes frequent use formal education offers in an international perspective.

C.3 Regulations on and support for formal education

According to the respondents (GM 1, P 1), the initiative to take a course is a responsibility of both the employer and the employee. In consultation with one of the managers of the SME, each employee can express his or her training needs. According to the interviewees, no employee has any difficulty in persuading the employer there are still things to be learnt. In the opposite direction: a manager can suggest a course or a type of informal learning (for example, an interesting book or an article) to an employee. This consultation can take place during an evaluation or appraisal interview or during one of the many talks and meetings with management and personnel.

Each individual can prefer a different type of learning (timing, length of the course, content, teaching style). A tool the SME uses to identify certain psychological differences is the Myers-Briggs Type Indicator (MBTi). This is a psychometric questionnaire that is used to get a better idea of the personal preferences of the employees and to attune the learning opportunities to these preferences. The MBTi sorts the employees into psychological types. It is also used by the SME as a technique to induce psychological processes.

The company does not have a standard approach towards the educational needs of employees. Since there is no specific training plan for each employee nor a specific target or bench mark employees have to meet, decisions are made case by case. The managers try to agree with each participant (in words of the executive director: “a *modus vivendi*”) how to reschedule tasks during the time of the educational activity.

It is customary for the SME to pay all types of training and education taken by the employees, informal as well as formal, of the job as well as on the job. This is also the case for more expensive courses. The executive director (GM 1) is convinced that the SME recovers the costs over time, because the knowledge and know-how of the employees increases productivity and furthermore, employees stay motivated. He indicates that the management of the company receives a lot of gratitude from the employees in return for the learning opportunities. This is also the reason why there is no bonus or (financial) reward for employees who follow a formal educational course. The possibility to attend a course is considered to be “a gift” to the employees. The interviewed participant confirms this point of view.

The executive director states that generally the biggest cost is not the registration fee but the cost of the extra effort to get along without the employee during the time of the training. The participant also indicates how, in that case, tasks and responsibilities have to be rescheduled:

“When someone is attending a course, someone else has to stand in for that colleague: ensuring the telephone answering service, answering e-mails, taking care of mailings...” (SME2 - P 1: 288-290)

C.4 Assessment of promoting and hindering factors for the use of formal education within the HRD approach

Up to now, according to both the executive director (GM 1) and the participant (P 1) the involvement of the SME in formal education seems to have a large number of positive effects. According to the participant, the formal learning opportunities have a high impact on the habits within the SME. Employees get to reflect on the things that they usually take for granted. This is one important intrinsic promoting factor for the use of formal education.

As already mentioned, the executive director also acknowledges a more extrinsic motivator: formal education that leads to certificates will give the SME a more professional image, which will make it possible to attract more clients. The participant adds that this is more likely for the management and training staff (at senior level) than it is for the administrative staff.

The other side of these promoting factors is the amount of time and money that is needed to participate. Especially the lack of time sometimes withholds employees to get engaged in of the job formal education.

“Every involvement of employees in training is noticeable in the organisation. This is typical for a small enterprise. (...) When someone is attending a course, someone else has to do the work instead. This is sometimes hard.” (SME2 - P 1: 346-356)

This quote also reveals that generally there is never an appropriate time for education in a small or medium-sized organisation. There is nearly ever any time “left” to devote to training. This is why the organisation tries to cluster and concentrate in-house and of the job training during more quiet periods.

As far as the budget goes, both respondents (GM 1, P 1) admit that there is no big budget, but the budget is allocated in the best possible way.

D – Participation in Formal Education, Workplace Learning and HRD Policies of the enterprise

D.1 The relation between workplace, workplace learning and the chosen formal education

The interviewed employee (P 1) (female, educational background ISCED 5-6) is the programme advisor for the SME. She has a master degree in communication studies (basic academic education, 2 cycles). She is part of the management as well as the administrative staff.

At the time of the interview, the employee was attending a long-term management course called 'young management programme'. This programme helps young managers to strengthen their personal development, their knowledge of management and their management skills. This knowledge and these competences are passed on via a series of five 3-day modules (15 days). The programme is residential and spread over 11 months. The programme also includes individual coaching sessions and a team project (creating a business plan). After concluding the programme, all participants receive a course certificate.

The provider of the programme is the Vlerick Leuven-Gent Management School. According to its website, this school has the legal status of a "Public Utility Foundation", as decreed in 1999 by the Flemish government. The school has a (inter)university status, since it is related to two parent universities: Ghent University and the *KULeuven* (University of Leuven). Consequently the school is permitted to grant university degrees. It receives an annual subsidy to do this.

D.2 Decision on the formal education, processing of the decision and support/nonsupport by the enterprise

In line with the HRD and training approach of the SME, the decision to enrol in the 'Young management programme' was the result of dialogue between the employee and one of the managers. The content and goals of the programme were well known to the manager and the employee. In the employer's view the programme offers an opportunity for the employee to gain more insight in her own management competences ("self management").

For the employee it seemed like a good chance to achieve a broader view on the subject of management.

Before the programme began, the employee and the executive director took the time to revise her job responsibilities for the time of the training. The programme was also fully paid by the enterprise (7.650 euro excl. vat and not including seminar costs and hotel costs). Because of these things, the participant feels supported by her employer. The involvement of the employer goes even beyond aspects of time and budget. In attempt

to bridge the gap between theory and practice the 'Young management programme' requires the company to provide a supervisor to mentor and support the participating employee during the time of the programme.

Both the participant and the executive manager mention that the decision to participate in formal education really is matter of "trust and commitment" for employee and employer:

"There are never any "ifs" or "buts" on behalf of the employer when it is decided that an employee can attend a training course. It is a matter of trust and commitment. On the other hand: there was never any improper use by employees of the learning opportunities given." (SME2 - P 1: 212-214)

D.3 Formal education, individual career goals and the work-family-personal life balance

To the participant (P 1), the programme is not connected with possible promotion prospects in a direct way. She displays a high intrinsic interest in improving her qualifications. That might include joining further educational programmes, even if that does not change her position within the SME. Taking courses that lead to a certificate are important to her, even if it is not related to specific short-term plans.

Although the participant indicates that the programme makes high demands on the attendants, she does not mention any difficulties to manage the educational programme and her personal life.

The programme takes place away from the normal working situation. This is in the perception of the participant a good thing. It allows her to fully concentrate on the programme. This might be more effective than self-education or a less formal on-the-job training:

"Attending a training of the job, is – for a lot of reasons - better than most in-house trainings. (...) Self-teaching on the job never really worked for me. I have tried it, but telephone calls keep distracting me from my books." (SME2 - P 1: 232-238)

D.4 Assessment of promoting and hindering factors for the use of formal education for supporting the daily work and for pursuing individual career goals

Up to now, the participant (P 1) is very satisfied with the quality of the programme and the way her work regime was adjusted to her participation.

Not all aspects of the programme's content are of direct relevance for the actual tasks related to the participants current position. But she indicates that:

"Not alle courses have to be of direct practical use for the company." (SME2 - P 1: 296)

A lot of the courses attended by employees are considered to be proactive. This implies that the SME does not only try to fill knowledge gaps in a reactive way (when needs are being recognised) but tries to look ahead to the future challenges for the company (see above).

E – Synthesis - The Significance of Formal Education within the HRM and HRD of the enterprise

SME 2 focuses on quality (before price, capacity, etc.) in facilitating the learning of groups. To control quality, the SME uses several elements of quality management. This is reflected in the way the enterprise approaches training and education. Because the SME's core business is training, it is important for the management to have a work force with excellent hard as well as soft skills. For the same reason, the SME has a strong association with the training market. Hence there is no real gap between the educational and workplace environment. This makes all types of learning (formal to non-formal) a very natural thing.

In the process of attracting new personnel, for instance, training is an important tool. New employees have to follow several courses and have to pass exams before they are offered a fixed terms contract.

Acknowledged certificates are important for the (image of the) SME, but the fact that employees are eager and easily triggered to learn is even more essential. The HRD policy aims at making the SME an environment stimulating the employees to take up, regularly refresh and expand their knowledge. The planning and budgeting of formal educational activities for employees is quite flexible (there are no fixed career plans or training plans) and decisions are made on an ad hoc basis during evaluation and appraisal interviews, in meetings, etc. The training initiatives supported by the company are reactive (in reaction to recognised learning needs) as well as proactive (looking ahead to future challenges).

In general, the SME tries to support all types of formal education as much as possible. The enterprise does this by offering the employee time to devote to training, by paying for the tuition fee, by mentoring the trainees, etc.

References

Ministry of the Flemish Community (2005). *Education in Flanders. The Flemish educational landscape in a nutshell*. Brussels: Ministry of the Flemish Community - Educational Information and Documentation Division.

Websites

- <http://www.qfor.rog> (Q-for)
- <http://www.wildmed.com> (Wilderness Medical Associates)
- The company's website

CASE STUDY - SME 3

SME

- SME: is short for 'Small or medium-sized enterprise' (SME 3 should be read as: the company that is the main unit for analysis in this case study)
- NACE-code rev. 1.1: 22130 (Publishing of journals and periodicals)
- Sector family: A (industry)
- Number of employees: 300 in Belgium / 20 abroad

Interviewees

- Interviewee 1: human resource manager (SME 3 - HRM1)
- Interviewee 2: chief editor (line manager) (SME 3 – LM1)
- Interviewee 3 : coach customer's service (participant) (SME 3 – P1)

A – General Characteristics of the Enterprise

A.1 Main activity and characteristics of the organisation

SME 3 is a publisher. The company publishes exclusively independent advice on tax, financial, legal, personnel and health and safety issues. The enterprise is in the process of the production and spreading of the information responsible for the content (development, acquisition, writing, copy editing, graphic design, etc.). Printing-offices and distributors are called in to disseminate the content. When the advice is distributed via a digital source (digital information systems and the Internet) the SME does take care of the dissemination. This means that the SME does take on the publication of online databases and catalogues of information.

The enterprise was founded in 1990 in Belgium. It started up as a consultancy on taxability and turned in to a publisher a few years later. It has its headquarters in Heverlee. The target group of the company includes in the first place directors, owners and managers of small and medium-sized enterprises and their advisors.

The mission of the SME is to give people the greatest business or personal advantage by offering them advice that is short and concise, in jargon-free plain language and ready-to-use. As the company's website states, no grand theories are stated in the publications. The products focus on "advice extracted from a vast pool of information, changing legislation, real-life situations and scientific research." The clients will benefit from this information as they will "pay less, save time, feel more secure, avoid problems,

etc.” The company’s baseline is in line with this motto: ‘Not just information but advice on how to use it to your advantage.’

The SME has experienced a sharp increase in the number of employees. During the start-up phase, the company employed 5 people: two brothers, their two wives and one partner. Two of them are still working in the enterprise as CEOs (chief executive officer). The company now employs roughly 115 people: 70 in Belgium, 15 in the Netherlands, 15 in England, 7 in Spain and 5 in France. 55 percent of the Belgian employees are male, 45 percent female. This gender dispersion is not the same in every division of the SME. Customer’s service for example is an all female division. The desktop publishing division employs two male and four female employees.

The SME consists of a team with a broad and diverse background. The average employee is highly qualified. In fact, 70 to 90 percent of all the employees own a university degree or a degree of 1-or-2 cycle higher education provided by colleges for higher education (ISCED 5) (OECD, 2004). The rate of staff turnover in the company is described by the human resource manager as low.

A.2 Business strategy

According to the respondents (HRM 1, LM 1, P1), the SME is addressing a need for advice that is not being addressed by other publishers. From the interviewees’ point of view, the company is quite unique and has little competition to deal with. Some HR services provide information and advice on similar topics, yet their content is either only accessible via paid membership or connected to an interest or lobby group (e.g. a federation of employers). Unlike the SME their advice is not neutral and open to the public. Other publishers might have books on the same topics but use an academic and legislative language that is not understandable to all managers and owners of small and medium-sized enterprises.

Quality management and innovative strategies play an important role in the SME’s HRM and HRD approach. Offering clients correct and up-to-date information and advice in an easy-to-use design is one of the key issues in the SME’s quality approach. For this, the company applies a wide range of techniques, from quality control of the publications to increase knowledge by attending lectures on specific topics.

Innovative strategies are mainly used to improve productivity and to modernise the products, for example to keep the medium and design of the publications up-to-date and to keep track of the new needs on the market (like online products). Indirectly these changes in the production are also related to the position of the SME on the broad market of publishing and printing: innovation is thus used as a competitive strategy.

A.3 Current challenges and initiatives to meet these challenges

The company started up as a small family business and developed into a medium-sized international company. Recently the ownership of the company (i.e. over 50 percent of the registered share) was passed on to a private equity investment group. This investment group supports small and medium-sized companies in realising their growth ambition. With new substantial financial resources and extra funds, SME 3 is able to make new products and explore new markets.

Summarising, it may be said that with this support the SME focuses on three main challenges: new products, new countries (worldwide) and new collaborations.

To meet those challenges, the SME has already taken several initiatives with regard to the company's (1) products, (2) network and (3) internal organisation:

- Some new products have been launched recently. Most of them use digital media like the Internet. As a consequence, there is an ongoing automation and computerisation in the enterprise. This means the SME slowly turns into a more technology-rich business.
- The enterprise wants to make the most of the growth opportunities in the international market. Over the last few years the SME has given evidence of a growing interest in working internationally by starting up new divisions abroad. This, of course, lead to an expansion of the SME's network. New collaborations have been tried out and will be in the future. E.g. the enterprise is in the process of publishing a book on taxes in collaboration with another publisher. The SME will also continue to explore growth possibilities in other countries (Spain, Italy, France and yet "unexplored" countries like the Czech Republic).
- The investment group has contributed to the continuing rise in the number of employees. In addition to this, the group also incited a fundamental restructuring of the management (into a middle management and a management board). According to the human resource manager (HRM 1), the SME still has a fairly horizontal structure, which makes fast decisions possible. However, meeting the company's general managers on a regularly basis is becoming less evident as the company grows. In fact, direct contacts between all employees on the different levels have become less frequent.

B – HRM, HRD and Training Policy of the Enterprise

B.1 Organisation of responsibilities and core processes in HRM and HRD

Although the company is increasingly working for an international market, some aspects of the SME's production and management are still organised centrally in the Belgian headquarters, for instance the human resource management and administration. The interviewed human resource manager (HRM 1) refers in that matter to the recruitment of Belgian employees, skills management, budgeting and payroll, training and development, time management, prevention and health aspects on the job, internal communication, etc. Some other aspects of the workplace management are

decentralised. For instance attracting personnel for the divisions in other countries is done by the general managers in those divisions.

The work force of the SME comprises professionals with a thorough knowledge and experience in areas like environment, health and safety, selling, tax, law, etc.

The HRD approach of the company is driven by overarching questions like: how can all employees remain experts in their field? How can the competences of the employees be adjusted to the internationalisation and automation in the best possible way? How can the SME focus attention on aspects of quality control that otherwise remain intuitive? ... At the heart of the HRM and HRD approach is the idea of finding the right employee and enhancing his or her expertise through continuous communication, exchange of information, informal and formal learning, ...

The line manager of the editors office indicates that this necessity arises out of the specialism of each division and each position in the SME. Each editor, for example, has his own specialism:

“Every employee has his or her own specialism, because of the complexity of the legal framework. (...) This is not always the specialism of the initial academic education. Sometimes people slide into another specialism. Personal interest is a factor that has an important impact. Experience – like previous jobs – too.” (SME 3 – LM 1: 13-17)

B.2 HRD objectives

Generally, the SME uses a lot of planned and unplanned learning in the development of the human resources.

The planned learning is either the result of specific training courses on or of the job, either offered by another organisation or by the own employees.

Unplanned and incidental learning in a normal working situation is evoked by the way the work is planned and structured. New editors, for example, will be followed closely by the chief editor and will receive more feedback, tips and tricks than the others. More experienced employees are presumed to be “good examples” for the new ones. A mentorship programme was installed a few years ago to guide new employees through new assignments.

In essence, the objective of all learning initiatives is to gain new insights – as an employee and as a team – related to the company’s production.

The objectives on talent development go beyond planned and unplanned training. The human resource manager (HRM 1) indicates that all aspects of job satisfaction are import in the overall HRM approach, such as the view people have on their possible career path, the quality of working conditions, the challenges the job generates, etc.

B.3 HRD strategies and use of public support schemes for HRD/training

The respondents (HRM 1, LM 1, P 1) mention several tools and techniques for the support of HRD/training.

The annual appraisal interviews are of vital importance for training matters to come under consideration. During those interviews training needs and suggestions are expressed and discussed. The interviews are a good example of the two-way process of decision-making.

Of course, every decision on taking a course should fit the global training budget. For short courses this never seems to be a problem, since the registration fees for courses are usually quite low. Still, attending a course is always expensive when the time off the job is taken into account. According to the human resource manager (HRM 1) this cost is at least 30 euro per hour per person. That is why the SME always makes a cost-benefit analysis, starting off with the question: "Will this training pay off enough or not?" In other words: will the employees become more productive and will they gain up the time invested in training.

This is why, especially for longer and more expensive formal education, decisions are made on an individual basis.

Afterwards, every participant has to write down a short evaluation. This report is a stimulus to reflect on the things learnt. It is also a tool to legitimate the budget and time put into participation.

B.4 Significance of training activities

On the aspect of planned training, several aspects are important.

First of all, as we have already mentioned, the educational pathway of a person before entering the firm is not unimportant. The fact that the SME attracted so many highly qualified employees over time is clearly the result of a deliberate choice. According to one respondent (LM 1), the academic background of the employees ensures an in-depth understanding of the jargon and areas the SME provides advice for. The line manager adds that employees with a similar degree or similar educational background probably work together more smoothly on an interpersonal level.

Secondly, the HRD approach uses a lot of training opportunities offered by other organisations. For this, the SME addresses a wide range of providers (see below).

Thirdly, the SME itself provides some planned training for their recruits. New personnel are trained on-site by more experienced personnel.

There are no individual training targets each employee has to meet. Still, in every division and on every level of the organisation training is given a place. A few recent training courses followed by employees, mentioned by the three respondents: technical courses on web design and desktop (publishing) software (Indesign, Photoshop,

Dreamweaver, MS Word, MS Excel, ...), a course on negotiation techniques, on time management and change management, financial management, coaching and leadership, virtual teams, ... The in-house trainings are geared towards the different groups of employees: editors, administrative personnel, managers, salesmen, ... There is a training budget per year per division of the company. The human resource division also makes some participation statistics on training per employee.

C – Formal Education within HRM/HRD of the Enterprise

C.1 Understanding of and awareness for formal education by enterprise

The respondents (HRM 1, LM 1) do not use the term 'formal education' with regard to their job-related learning. Neither do they make a clear demarcation between formal education and non-formal or informal education. In fact, they do not seem to use the term 'education' very much in practice and prefer the more vocationally-orientated term 'training'.

The respondents (HRM 1, LM 1, P 1) pinpoint their understanding of common denominators like 'education' and 'training' by referring to the different educational forms and methods (a classic course, a study day, a seminar, a lecture, a long-term programme, self-tuition, etc.) and the educational providers. These providers are (1) small and local private (commercial) organizations (like the consulting bureau Skan Performance), (2) bigger and regionally organised vocational training providers like *sectoral training funds* (like Cevora, etc.), and (3) organisations that are part of the education system of the Flemish community.

The awareness of the positive effects of formal education is reflected by the fact that some of the programmes are compulsory for all employees or for a group of employees. New young managers that start working for the SME have to take a two-day-course on coaching and leadership.

These formal educational efforts go along with considerations about the way the firm is perceived by clients:

"For the market, the professionalisation of the staff is important. It is an important aspect of the image clients get of the SME. The image they get is formed by the knowledge and competences the employees display, not by specific certificates. But most clients probably know that the company has a lot of employees with a university education." (SME 3 – HRM 1: 547)

C.2 Experiences with formal education in the enterprises

As the company's HRD approach displays, continuing education is an important issue for the SME's policy makers. A significant part of the programmes is offered by organisations for formal continuing education.

Ehsal⁵, a college for higher education, offers practice-oriented academic training in the field of applied economics and business studies. Ehsal is registered with the Department of Education of the Ministry of the Flemish Community. Several employees of the company have attended Ehsal-courses and seminars.

The reason why the SME chooses Ehsal and similar providers is because these schools are well known to the employees. A lot of the employees graduated at Ehsal. This is also the case for the *Fiscale Hogeschool* (FHS) in Brussels. The FHS is a centre for adult education (*centrum voor volwassenenonderwijs*) recognised and funded by the Flemish authorities. The school offers specialised advance courses on various topics, like corporation tax, direct taxes, value-added tax, ... There are linear courses (years of study) and modular courses (modules) (Ministry of the Flemish Community, 2005). The centers for adult education issue various certificates. A certificate for a short course (*snelcursus*) states the educational objectives and content of the training activities in question.

Another provider is Syntra. The Syntra network consists of five regional umbrella organisations and 23 campuses throughout Flanders and Brussels. They are recognized by the 'Flemish Agency for Entrepreneurial training – SYNTRA', an external autonomous agency of the Flemish ministry for Work and a pivotal point of an integrated policy on entrepreneurial training. This government agency compiles the curricula of the Syntra network and controls the quality of the products.

The Syntra network offers courses with successive levels and opportunities. The modular organisation of the programmes are organised offers the participants the possibility to compose their own programme according to their personal level and training needs (Eurydice, 2006).

The Syntra-organisations reward their participants with three types of certificates: completing the 'entrepreneurial training' successfully leads to a diploma (*diploma*) or certificate which meets the legal business licensing and administration conditions. The certified advance training which fits in with the 'entrepreneurial training' leads to an official Flemish Community certificate (*getuigschrift*). Other advance training (language courses, courses on business administration and management themes, etc.) lead to a Syntra Flanders certificate (*attest*) (Eurydice, 2006).

Training offered by Ehsal, FHS, Syntra and other providers (like Vlerick, University of Antwerp, ...) for formal education is integrated in the SME's training approach. Because

⁵ Today, Ehsal does no longer exist. It is now collaed the *Hogeschool-Universiteit Brussel* (*HUBrussel*). This is the first institute of higher education in Belgium that houses both a college for higher education and a university. The HUBrussel is the result of the merger between colleges for higher education Ehsal, Vlekho, Honim and the Katholieke Universiteit Brussel (KUB).

most of the courses are fairly short, the dropout rate is low. The chief editor explains that when time pressure hinders participation, employees will rather not enroll than drop out of the course.

C.3 Regulations on and support for formal education

How are decisions on formal education made?

Some of the educational needs are caused by the challenges the SME is facing today. The ongoing automation and computerisation of the SME and the emerging use of the Internet by clients has led to new needs. This was countered by the employer with several in-house trainings. The decision to put on a course on 'virtual teams' was the result of the changing organisational boundaries and the geographically dispersion of the personnel.

Sometimes, in reaction to an identified need, a measure can go beyond the matter of education:

"When there is a professional need, formal education is not always an obvious remedy. For instance: since the company is working abroad, translating has become more important. The need in the Belgian headquarters for someone speaking Italian has led to the recruitment of an additional staff member, because it was not considered feasible for the existing employees to pick up that language that fast." (SME 3 – HRM 1: 553-555)

The SME is subject to a collective labour agreement that states that every employee should at least get two days of training each year. The SME has no difficulty to come up to that requirement. In fact, the participant mentions she has had over two hundred hours of training during paid working hours over the last three years (i.e. ten days a year). The chief editor (LM 1) mentions that he participates in job-related learning five days a year but acknowledges this is actually not enough.

C.4 Assessment of promoting and hindering factors for the use of formal education within the HRD approach

In this case, the most important barriers hindering participation in formal education are situational and institutional (Darkenwald, 1985). Other types of barriers, like attitudinal ones (for example, lack of interest, confidence, self esteem) or qualifactory ones (lack of pre-requisites for entry to programmes), were not mentioned by the interviewees.

Lack of time seems to be the biggest situational barrier. A lot of work in the SME is related to deadlines. Because of the constant time pressure, little time is left to attend courses, seminars, lectures, etc. An institutional barrier connected with this, is the fixed starting hours of the courses. Sometimes this inhibits participation, especially when the initiative takes place far from either the working place or the home of the employee.

Mobility is, in that case, another crucial situational barrier to participation because it increases the time pressure.

The SME tries to overcome these deterrents. To get round situational barriers, it has become a habit of the editors' office to let training take place in June, July and August because during those months there are no deadlines to meet. Still it is clear that time pressure might distort the beneficial effects of training. Because of the same reason, the SME prefers short and practical courses. These are not always easy to find because most of the courses offered by formal educational providers are long.

All respondents claim that in this line of working lifelong learning is "a must" to fulfill assignments.

"Education is a must for every jurist or legal or fiscal advisor. A fiscal advisor that has not taken any courses or attended evening classes, seminars, lectures, for over five years... that is not a very trustworthy advisor." (SME 3 – LM 1: 182)

The company's management realises this and supports education, especially when it comes to paying registration fees and rescheduling assignments. No bonuses are given to the employees participating actively in lifelong learning.

D – Participation in Formal Education, Workplace Learning and HRD Policies of the enterprise

D.1 The relation between workplace, workplace learning and the chosen formal education

The interviewed participant (P 1) (female, ISCED 5, university degree in communication) is head of the customer's service. She is also part of the administrative staff. She has been working for the SME for three years now. She claims that it takes about three years to know her job in all its aspects. Especially during the first six months training was essential to her. A lot of things (content, products, etc.) were new to her since she had never worked for a publisher before.

Still, she claims that some organisational and social-communicative competences can easily be transferred from one job to another. Qualifications on leadership, the ability to plan and regulate the work, ... were competences obtained in previous jobs (e.g. leading a call centre for a provider of television services, working at the press department of the Flemish minister for Culture) that turn out to be very useful in this job.

Having the opportunity to attend formal educational activities is for different reasons important to the participant. It is a way of refreshing knowledge and know-how for the employee and for the firm. On an individual level it is to her also a way to strengthen her curriculum vitae.

The participant is very satisfied with all formal education she had during the recent years. On some occasions she falls back on the workbooks or syllabi of the courses.

D.2 Decision on the formal education, processing of the decision and support/nonsupport by the enterprise

Recently the participant (P 1) took a course on leadership. The course was called 'From fellow worker to manager'. The course was suggested to her by her manager (in dialogue with the human resource manager). The process of decision-making was very short. The course was attended by some other employees a while ago, so the management knew the content and conditions on participation.

The decision-making process to attend this course was to a large extent in the hands of the human resource manager. He has the best view on the existing training offers, which gives him the best position to match training needs with training activities. Still, the chief editor argues that the key to participation stays in the hand of the individual employee:

"Following a course is in the first place an individual decision. Forcing people to register for a course or seminar is not very useful. (...) People will not learn anything when they do not learn out of interest or voluntarily. The person taking the course has to get the content out that he or she wants to." (SME 3 – LM 1: 68-72)

Although the human resource manager (HRM 1) is responsible to gather and centralise information on training and education, the highly qualified labour force does have a good view on the existing learning opportunities via direct mailing, electronic newsletters, the SME's open post system, etc. All respondents claim that, in terms of quantity, there are enough training offers on the market.

As a final step in the process of decision-making, a person of the administrative staff takes care of the registration and writes it down in the agenda of the company (for insurance reasons).

D.3 Formal education, individual career goals and the work-family-personal life balance

Both the human resource manager (HRM 1) and the participant (P 1) confirm that there is no real tension or friction experienced between the formal educational activities and the work-family-personal life balance. They do indicate that employees should be somehow flexible when it comes to participation in training. Sometimes there is a little overlap with the participant's leisure time. The company does not compensate this overlapping. When this remains not more than the exception to the rule, this is usually no problem in terms of working-family-personal life balance, says the participant (who is pregnant for the moment).

D.4 Assessment of promoting and hindering factors for the use of formal education for supporting the daily work and for pursuing individual career goals

In the perspective of daily work, the respondents (LM 1, P 1) are convinced that the SME offers enough learning opportunities on and of job. To be of any use for the actual job assignments, training should offer a mix of theory and practice. Especially those practical aspects are hard to come by in the educational market nowadays.

Nevertheless, the participant (P 1) seems very satisfied with the course 'From fellow worker to manager' and with the way her participation is supported by the employer.

Although the SME prefers short courses, the participant indicates that one day of training is usually not enough to get a good view on a specific topic. In her opinion a three-day course is usually better and has more durable effects.

Even though the participant is aware of the positive individual effects of education in terms of certificates and qualifications, she does not aspire to make a specific career change or to occupy another position in the firm. She merely sees herself as "eager to learn" and wants to keep on joining programmes.

E – Synthesis - The Significance of Formal Education within the HRM and HRD of the enterprise

SME 3 is a medium sized company on the verge of (further) strong growth, expanding the range of products and exploring new markets. The HRD approach of the company is driven by future-oriented questions like: how can the employees remain experts in field and how can they adjust their competences to new challenges like internationalisation and automation. One answer to that question is the strong support of all types of learning. This support is mainly done in terms of money (paying for subscription fees) and time (offering training during paid working time).

The formal educational pathway of an employee before entering the firm is considered very important. Most employees are high-educated. The company's criteria concerning the educational background of the employees are a way of ensuring an in-depth understanding of the jargon and issues the SME provides advice for.

The SME promotes further formal education and training, although keeping employees from their job to undergo training is considered a high cost. Because of this, the enterprise always balances the pros and cons – again in terms of money and time - against each other before making (long term) decisions on training and education. This is especially the case when several employees follow a course at the same time. For the individual employees, it seems that personal interest, external mobility, time pressure and the perception of the workload available time are situational and institutional barriers that hinder participation.

As a result of all of this, the company and the individual employees prefer short-term courses (study days, lectures, etc.) close to the workplace or the home of the participant. Formal educational providers recognised by the educational authorities are called in because they are well known to the employees and are known for offering quality.

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- Ministry of the Flemish Community (2005). *Education in Flanders. The Flemish educational landscape in a nutshell*. Brussels: Ministry of the Flemish Community - Educational Information and Documentation Division.

Websites

- www.ehsal.be (Ehsal)
- www.fhs.be (Fiscale hogeschool)
- www.syntra.be (Syntra)
- The company's website

CASE STUDY - SME 4

SME

- SME: is short for 'Small or medium-sized enterprise' (SME 4 should be read as: the company that is the main unit for analysis in this case study)
- NACE-code rev. 1.1: 90021 (Collection and treatment of other waste)
- Sector family B
- Number of employees: 62 employees

Interviews

- Interviewee 1: chief operations officer - COO (general manager) (SME 4 - GM1)
- Interviewee 2: advisor on prevention and environment (participant) (SME 4 - P1)

A – General Characteristics of the Enterprise

A.1 Main activity and characteristics of the organisation

SME 4 is an energy company specialised in waste processing and environmental techniques. The SME was founded in June 2006 after a merger of three public interurban waste processing firms.

Bionerga has its headquarters in Houthalen-Hechteren in the province of Limburg in the Dutch-speaking part of Belgium. At Houthalen-Helchteren the SME has an incinerator. Incineration is a waste treatment technology that involves the combustion of waste materials. In Bilzen and Maasmechelen, two other places in the same province, the SME has composting centers.

The SME processes over 180.000 ton of waste annually. This is domestic waste as well as green waste.

Today, the company employs 62 employees. Their chief executive officer and the chief operations officer are part of the board of directors. They lead a team of 7 managers and 53 workers. 55 of the 62 employees are male. The 7 female employees are part of the administrative staff and cleaning personnel. There are no women among the workers in the incinerator.

A.2 Business strategy

Both respondents describe the SME as a very technology-rich environment. Even though the SME is technology-rich, it is not really information driven. There has been a lot of modernisation and innovation in the business of collecting, disposing and processing waste. The SME has definitely kept track of those trends. The company tries to make use of the best and most modern techniques to turn waste into energy. Most waste-to-energy technologies are fairly recent. Years ago, incinerations were implemented without recovering from waste. Today the incinerator in Houthalen-Helchteren can dispose a large amount of solid waste without much pollution or byproducts. This has made the work in this division cleaner and healthier.

A second important element in the business strategy of the SME is quality management. The firm aims in the first place at quality in all organisational processes. The SME uses the ISO and OHSAS quality standards for this.

The company has obtained three different certificates in seven months time:

- ISO 9001: this certificate concerns the company's quality management;
- ISO 14001: this certificate concerns the company's environmental management;
- OHSAS 18001: this quality management system enables the organisation to manage operational risks and improve performance. OHSAS stands for Occupational Health and Safety (OHS) Management Systems.

The COO (GM 1) indicates that the SME did not want these abovementioned certificates for promotional reasons, but to control the quality in all organisational processes.

Besides the quality standards, the SME also uses the 5S system. This is a method to improve workplace safety, equipment maintenance and troubleshooting, and to ensure product quality. 5S is short for 'Orderliness, Cleanliness, Standardized Cleanup, and Discipline'.

A.3 Current challenges and initiatives to meet these challenges

The company is a *Naamloze Vennootschap* (Public Limited Company). The shareholders in the SME are Limburg.net (a merger of three other waste-processing firms), Afvalmaatschappij Limburg (AML) and a holding company (Nuhma).

The plant in Houthalen can expect an increased waste processing capacity combined with more energy production. A new power plant that processes annually over 300.000 tons of domestic waste will be built in 2009-2011.

Another important change mentioned by the COO (GM 1) was the new financial manager who was taken on recently.

B – HRM, HRD and Training Policy of the Enterprise

B.1 Organisations of responsibilities and core processes in HRM and HRD

The 52 workers in the SME are mostly low-educated. This is a consequence of the reputation this line of work used to have; working in an incinerator was considered a “dirty job”, says the COO (GM 1). Yet, the job turnover rate is very low. According to the COO this is because all working conditions (wages, working in shifts, etc.) are very good now. Almost all employees have and hold the same job assignments and responsibilities over time. Especially for the workers no job rotation is possible because of their different technical specialisms.

B.2 HRD objectives

An important element in the SME’s HRM approach is to keep the wage structure in line with the competence structure. The management uses a specific instrument for this: an in-depth description of each position (assignments, responsibilities, etc.) and each employee in the firm (see below).

To guarantee quality in all organisational aspects, the company uses workgroups on specific topics, e.g. mapping the entire process of stoking makes it possible to optimize this process. The COO indicates that year after year improvements are being made.

B.3 HRD strategies and use of public support schemes for HRD/training

Communicating intensively with stakeholders and similar organisations is one of the strategies the company uses for the development of human resources. There are eleven incinerators in Flanders. There is a lot of consultation and exchange between those eleven companies on topics like wages, safety, etc. In 2006, for the first time a seminar was organised especially for these organisations.

To help new employees on the job, the company has installed a mentorship programme (called “godparenthood” by both interviewees).

Every new employee gets a mentor until he knows his way around. Another HRD tool for new employees is an extensive brochure on the SME’s production line. This document helps employees to gain an insight into all aspects of the firm. Education, training and learning opportunities, however, are not explicitly included in the brochure.

B.4 Significance of training activities

The COO (GM 1) states that until four years ago, there was little training offered to the employees. Today the SME has a structured approach to training and education. The SME uses two specific tools in this approach.

The first tool is a matrix that brings together several human resource aspects. The matrix contains an in-depth description of the position, the job responsibilities, qualifications (diplomas, certificates, etc.), competences (what are they good at?) of every employee. All employees got the opportunity to add a self-evaluation to this matrix. This self-evaluation builds on questions like: what can I do? Do I have training needs? Which ones? ... After the self-evaluation, a training plan per individual employee was made, using the matrix as a source of information. All individual training plans are evaluated annually. After a training course the management evaluates the offer. If necessary, training plans are adjusted after an evaluation.

The second tool is the appraisal interview. From the COO's point of view, an appraisal interview should be an open conversation between employer and employee. This consultation should offer both the opportunity to display training needs or suggestions. At the end of the appraisal interview, the COO and the employee agree on the individual targets for the next year. Annually every employee has to fulfill five targets.

The SME has a fixed budget for training and education, but this budget can be used flexibly, says the COO.

C – Formal Education within HRM/HRD of the Enterprise

C.1 Understanding of and awareness for formal education by enterprise

The primary concern of the SME is operations improvement. This means improving quality, safety, productivity, etc. In this SME education is always associated with one of those concerns. The management takes the view that the SME only needs to support courses that are useful and associated with the SME's core business.

The question whether a course leads to a certification or not is in most cases of lesser importance for the SME. In fact, the use of educational offers leading to certificates for adult learners is at the margin of the HRD activities of the enterprise. In some cases, however, the acknowledged certification is important. This is the case for aspects that are related to legal requirements. There are a lot of aspects in this branch of work that are strictly regulated (e.g. working with harmful and toxic materials, under extreme temperatures...). For instance, the enterprise is legally obliged to have a safety advisor (*Preventieadviseur* – see below) (<http://www.werk.belgie.be/defaultTab.aspx?id=570>). Advisors must receive at least 30 days of training on the prevention of accidents each year.

Another example is the abovementioned use of mentorship. There is also a statutory regulation⁶ on that.

⁶ *Koninklijk besluit betreffende het onthaal en de begeleiding van werknemers met betrekking tot de bescherming van het welzijn bij de uitvoering van hun werk* (The Royal Decree on the

C.2 Experiences with formal education in the enterprises

The SME encourages all employees to educate themselves. Employees enroll in several types of training with the support of the SME. Among the educational providers are (1) schools and universities, (2) public organisations like Syntra, Voka (Flanders' chamber of commerce and industry), Idewe (*Externe Dienst voor Preventie en Bescherming op het Werk* (the External Service for Prevention and Protection at Work)) ... and (3) private and commercial organisations like Keerpunt, Acerta, Leisure and partners, Fion, etc. Finally (4) other SMEs in the same branch or working in the same branch of industry might provide educational activities too (e.g. SKF, etc.).

Over the last years, employees have been taking courses on and off the job. The organisation of on the job courses costs more, but seem to be more effective:

“When an external provider is asked to offer a course on the shop floor, the cost per person is usually higher than when employees attend a course in a training venue. Yet, most of the time the tailored programmes are cut down to the SME’s characteristics better than the standard ones.” (SME 4 – GM 1: 99)

In addition to this, the COO emphasizes that the management prefers courses that offer practical knowledge directly connected to the job responsibilities of the employees. Still, in some cases courses are organised just to raise awareness among the employees (e.g. safety matters). The COO explains: “Sometimes you have to learn things to never use them at all.” For instance, there was a first aid course organised recently that was compulsory for all shop floor workers.

C.3 Regulations on and support for formal education

The support of the SME in formal education usually starts off with the exploration of the educational market. When an educational need is identified, several educational organisations are asked to submit an offer for a training course. The SME usually decides shortly after receiving the offers. The chief operations officer, who manages the day-to-day activities of the SME, has the final responsibility over the decisions in this matter. These decisions are both strategic and short-term.

Nearly all the training courses organised or supported by the SME take place during paid working hours. This is not always easy to guarantee because most of the employees work in shifts. When a shop floor worker is absent, he is replaced in that shift by another worker.

reception and guidance of employees and the protection of their welfare during the execution of their job).

After attending a course (both formal and non-formal ones, both short and long-term ones) provided by an external organisation, the attendant has to fill in a standard form. This is part of the ISO-procedure. The ISO-system helps the SME in evaluating the course.

The company keeps the original certificate of every course an employee follows on behalf of the firm. The employee gets a copy of that certificate.

The COO indicates that about 2% of all paid working time is dedicated to education. This is an annual average of 4 days per individual, which is a lot for a company in this line of work.

When the SME attracts new workers, there are no specific demands related to certificates. Workers need some technical skills though. These skills are tested during the selection procedure. If the scores to those tests are unsatisfactory, the applicant will not get the job.

C.4 Assessment of promoting and hindering factors for the use of formal education within the HRD approach

One of the hindering factors is the lack of co-funding sources for education. Because of the mixed statute (public-private) of the company, it is hard to receive public funds for training and education. The company, for instance, does not qualify for the use of *opleidingscheques* (Training Vouchers). Nevertheless, the SME is convinced of the benefits of investing time and money into education and training, says the COO (GM 1).

According to the interviewed employee (P 1), a lot of formal educational courses offer too much theory. There is too little practice involved. Providers of formal education should offer more tools and instruments (checklists, good practices, procedures, etc.) that can be implemented in the SME in a direct way.

She (P 1) also indicates that the courses do not always come up to the expectations or needs of the practice:

“For instance, the enterprise works a lot with scaffolding. There are a lot of laws on scaffolding. As an advisor on prevention and safety I have to examine those laws on the job, because they are not analysed during the course.” (SME 4 – P 1: 53)

The participant realises that not everything can be learned in a course. That is why for some issues (e.g. soil research and soil testing) the SME still hires an external expert or advisor.

Finally, the registration fee for a course is a factor that might hinder participation too. Both interviewees indicate on that matter that the SME's budget for education is

exhaustible (e.g. a specific course by the SGS group was considered too expensive). The location of the training venue (in case of off the job training) and the mobility of the participant is another possible deterrent. The participant states that when an educational activity takes place far from the workplace or her home, this might be a reason for considering non-participation.

D – Participation in Formal Education, Workplace Learning and HRD Policies of the Enterprise

D.1 The relation between workplace, workplace learning and the chosen formal education

The interviewed participant (P 1) is responsible for the environmental policy (with regard to the environmental impact of the incinerator and waste processing) and safety policy of the company.

Her day-to-day activities focus on advising the management and the employees on topics like health, ecology, ergonomics, prevention, etc. The attention of the SME given to these topics is to her one of the success factors of the company. Compared to similar organisations, this SME has a large budget for activities related to environment and safety. The SME's initiatives go beyond the legislative framework. For example, the SME had a programme on reducing noise, which had lead to tailor made hearing protection for all workers, although this is not laid down by law. According to the participant, the installation of a works council⁷ has had a positive impact on aspects of safety. The works council makes sure that environment, public health and safety stay high on the company's agenda. Indirectly this also influences the learning and training opportunities within the SME.

D.2 Decision on the formal education, processing of the decision and support/nonsupport by the enterprise

The interviewed participant recently followed a long-term course *Preventieadviseur* (Safety Advisor).

This course has a modular structure and consists of three parts: a basic module, an advanced module *niveau 2* (level 2) and an advanced module *niveau 1* (level 1). All modules are finished off by an exam.

The basic module and advanced module level 2 are offered by many colleges for higher education and other educational providers for lifelong learning (like Syntra Hasselt). The condition of entry for the level 2 course is having a certificate of secondary education. The level 1 courses are offered by providers associated with a university. To have access to the level 1 course, one needs to have completed a bachelor course.

⁷ Both parties (employer and employees) are represented in the works council. The number of representatives is specified by a federal Act. The employees elect their representatives.

The participant enrolled in the level 2 course last year (2006-2007) and is now (2007-2008) taking a transitional year to prepare for the level 1 course (90 hours of training). In consultation with her employer, the participant has chosen for *Lucina – academy for working life*, this is a professional provider associated with the University of Leuven (K.U.Leuven). This choice was made because of the time schedule. This provider offers one day of training a week, which means the course can be finished within five months, while the courses offered by other providers are less intensive so it takes more than a year to complete the same course.

For the interviewed participant this course is not the first type of formal education she takes since she started working for this company. Recently she also took the course *Milieucoördinator* (environment Advisor). This course was provided by a college for higher education (*KHLim – Diepenbeek*). She attended this course one day a week for a period of three months. Just like the courses on *Preventiedaviseur*, this course was finished off by an exam.

Besides those formal educational activities, the participant still enrolls frequently in non-formal educational activities (study days, seminars, etc.) on concrete work-related topics like the danger of asbestos.

D.3 Formal education, individual career goals and the work-family-personal life balance

The participant admits that the long-term courses she has taken had an impact on the work-family-personal life balance. Especially the stress during exams and the time pressure (for making assignments and homework) weigh heavily. Although the participant would be interested in joining other long-term courses (e.g. *Preventieadviseur* level 1), she might decide not to because of those reasons.

The participant says she has no specific individual career goals related to the formal education she takes. She wants to keep improving her current job in her current employing organisation. Because of this, the acknowledged certificate the formal education leads to, is not essential to her:

“It is good to have that certificate. (...) Still the content of the course takes priority over whether or not it leads to a certificate.” (SME 4 – P 1: 286-293)

D.4 Assessment of promoting and hindering factors for the use of formal education for supporting the daily work and for pursuing individual career goals

Courses on safety and environmental protection are closely related to the legal requirements on those issues. Because this legal framework frequently changes one has to maintain one's knowledge and be eager to keep on looking for information, states the participant. So, in her view, education is more than a matter of enrolling in courses, it is

an ongoing process. This is a process one can not complete on one's own. This is, for the participant, another motivator for the use of formal education off the job:

"Meeting other people and exchanging information with other attendants is very important to me. You get to meet interesting new people. You get to build up a network. You can learn from their practices and you can borrow their ideas."
(SME 4 – P 1: 137)

E – Synthesis - The Significance of Formal Education within the HRM and HRD of the Enterprise

The attention for training and education in this company is rather recent. The average participation rate in training courses today is very high (2% of all paid working time) for this line of work. The SME's management is very open to training and the training budget is very flexible.

Of all the educational offers supported by the SME, the ones leading to an acknowledged qualification do not hold the majority. The use of educational offers leading to recognised certificates for adult learners is actually at the margin of the HRD activities of the company. Still, some legal requirements and audits focusing on quality, safety and environment make formal education necessary. The ISO quality standard not only motivates ongoing learning processes, it also helps to evaluate the courses taken.

To promote training and education, the company uses several HRM tools: a mentorship programme for new employees, a competence matrix with information on all the employees, appraisal interviews, etc. The participation in formal education is, however, only supported when it is directly associated with the company's core business.

The SME is not always fully satisfied with the offer of formal educational providers. A lot of formal educational courses offer too much theory and too little practice.

Websites

- <http://www.idewe.be> (Idewe)
- <http://www.khlim.be> (KHLimburg)
- <http://www.staatsbladclip.be/wetten/2007/05/10/wet-2007201364.html> (The Royal Decree on the reception and guidance of employees and the protection of their welfare during the execution of their job)
- <http://www.werk.belgie.be/defaultTab.aspx?id=570> (federal authorities on safety advisor)
- The company's website

CASE STUDY - SME 5

SME

- SME: is short for 'Small or medium-sized enterprise' (SME 5 should be read as: the company that is the main unit for analysis in this case study)
- NACE-code rev. 1.1: 85323 (Social work activities without accommodation – business-to-business)
- Sector family B
- Number of employees: 42

Interviewees

- Interviewee 1: general manager (SME 5 – GM 1)
- Interviewee 2: project manager (participant) (SME 5 – P 1)

A – General Characteristics of the Enterprise

A.1 Main activity and characteristics of the organisation

SME 5 is a multi-disciplinary institute for occupational safety and health. The SME distributes knowledge and know-how on well-being on the job and on the prevention of occupational risks. This knowledge and know-how to is distributed to businesses and institutions, occupational accident insurers, external occupational safety and health services, professional associations, social partners, government and other organisations within society. The SME not only offers information, it also provides support and advice and arranges sensitising campaigns.

For this purpose the SME carries out practice-based research and networks with other similar organisations nationally and internationally.

The company uses several media: didactical tools (slides, videos, CD's, multimedia, education programmes (lessons, courses, etc.), various publications, etc. By doing so, the SME promotes high-quality working conditions and the improvement of work organisation.

The company has its headquarters in Elsene, south of Brussels, the capital of Belgium. The enterprise has three different establishments.

The interviewed employee (P 1) mentions that the SME has no works council or employees' representatives, but the enterprise does organise meetings on personnel matters every now and then (see below).

A.2 Business strategy

The general manager (GM 1) summarises the SME's business strategy in four words: professionalism, image, new, knowledge. The SME uses the acronym 'Pink' to refer to those words. They are essential in the strategic choices the SME makes.

Closely associated to the "Pink" strategy is the focus on quality. The SME uses the ISO 9001 quality management system. Part of the ISO-system is the recurring assessment and auditing of the most important processes in the enterprise. The general manager (GM1) accentuates that those processes were identified in collaboration with the employees. The list of the identified core processes became the foundation of the company's ISO handbook.

According to the general manager, the use of the ISO quality standard means more than obtaining a "certificate hanging on a wall", it has an important impact on the SME. It challenges the organisation to constantly reflect on the ongoing processes. It is also considered a source of information, since ISO makes it mandatory for the employees to document all activities and carefully support choices with evidence. By doing so, the organisation can reach the ISO standard.

"This makes the enterprise a learning organisation. Because of this effect, the ISO system is not experienced as an administrative burden, but as an aid. It helps to make the organisation more transparent and allows insight into the processes." (SME 5 – GM 1: 8)

Allowing insight into the processes is especially important for the new employees. The general manager (GM 1) indicates that it is not easy to give them straight-forward instructions on how to fulfill their assignments because the company does not have one steady and uniform production line.

A.3 Current challenges and initiatives to meet these challenges

The SME now employs 42 people. As far as employees go, the SME has grown steadily over the years (16 new employees over the last 10 years). This growth pattern will most likely continue during the next years. As the SME will grow, new possibilities will arise (e.g. new collaborations).

The general manager (GM 1) argues that scale advantages will have a positive influence on the company's HRM and HRD approach since, in his words, the enterprise is now somehow "(...) too small to be big and too big to be small." Bigger firms have more possibilities for things like education and training.

B – HRM, HRD and Training Policy of the Enterprise

B.1 Organisations of responsibilities and core processes in HRM and HRD

The SME has a non-hierarchical structure. The company is broken down into three units (publishing, research and consultancy, information), each one run by one manager. Those units are divided into eight virtual product centers (tools, training, etc.). These centers group the employees by their competences and by the processes they implement (e.g. bookkeeping, training, etc.). This leads to a matrix structure. This is however not a fixed structure:

“We participate in about 300 projects every year. This means the enterprise changes all of the time. By consequence, the organisation chart changes a lot too.” (SME 5 – GM 1: 22)

All employees have a university degree, except five of them (the bookkeeper, graphic designer, etc.) that have a degree of a college for higher education.

“The reason the SME chooses people with an academic degree is that these people have a certain way of formulating and abstracting things. They also have a certain ambition and an ability to do things independently... The exact type of certificate or diploma or the experience people have is of less importance to the organisation. All employees come from a variety of backgrounds. We have historians, sociologists, and so on.” (SME 5 – GM 1: 30-32)

B.2 HRD objectives

As training is one of the core-businesses of the SME, the training of the employees is important to the company too, says the general manager (GM 1). He indicates that the company organises training on the job. One example of this is the standard introduction programme for new employees offered by the firm's managers and experienced employees. This programme consists of introductions to the company's business strategy, the legal framework on occupational safety and health, etc.

An essential part of this programme is the start of a mentorship programme (“godfatherhood”). This means that over a certain amount of time (usually the first few months) each new employee is given guidance by a well-informed experienced colleague. This system is especially a help for new employees in search of information on the SME and the organisational processes, states the general manager (GM 1).

B.3 HRD strategies and use of public support schemes for HRD/training

Training and education are defined by the general manager in a broad sense. Participating in a conference is also a learning opportunity to him. Since the SME itself offers courses, a lot of employees also follow courses organised by their own colleagues. Both the interviewed general manager (GM 1) and the employee (P 1) argue that the SME is open for learning needs and demands of individual employees. For the employees, the evaluation and appraisal interviews that take place on repeated

occasions are important moments to express expectations and make bilateral agreements on training and education. For the employer it is a tool to probe the employees' intentions and needs.

"Afterwards [after the appraisal interview] these things agreed upon during the interview should be put into practice. An organisation should have a framework to be able to act upon those decisions. However, the company still approaches these expectations case by case. Knowledge-workers need a good framework."
(SME 5 – GM 1: 80)

Besides the evaluation and appraisal interview, the SME also organises a recurring measurement of the employees' competences. For this, the company developed a lexicon of competences and defined several roles employees can take up according to their position and job responsibilities. An assessment of the employees' competences has led to an outline of the current and expected competences in the short and long-term future.

In closing, the SME also offers a lot of informal possibilities for the exchange of knowledge and information among the employees. There are specific meetings for this. A PIM (*Personeel Informatie Moment* – Informative Meeting for Employees) is held every two months.

There is also a lot of informal exchange of knowledge and know-how when people are working on the same project. During meetings with editor's board, for example, employees might talk about specific learning opportunities too.

B.4 Significance of training activities

As we have already indicated, training and education are very important to the company. The company supports and organises training on the job and off the job. The ratio of on the job courses to off the job courses is not fifty-fifty. There are significantly more off the job courses for the employees. For the in-house courses, the company usually "buys" a course that is tailored to the needs of the company.

The company has called in a great variety of organisations for education (on a great variety of topics). Some employees have taken a language course, others a more technical course on working conditions (e.g. ergonomics), finance and bookkeeping (e.g. group insurance policy), ICT (e.g. Apple software), social skills (e.g. phone answering skills)... Among the highly qualified staff of the company, there are also employees that obtained an (additional) academic degree with the support of the SME (e.g. master degree in Sociology, graduate in information science, sociology of labour, risk management, etc.).

The SME seems to be very open for all learning suggestions, although the management prefers courses that are goal-oriented. By saying this, the general manager (GM 1)

indicates that the SME will only directly support training and education when it has any relevance for the company. This hardly ever seems to be a problem.

*“The proposals for education and courses displayed by employees are usually very reasonable. They are usually closely related to the company core-business.”
(SME 5 - GM 1: 54)*

The company does not have a fixed budget for training and education. Many of the learning initiatives depend on the individual learning needs and on the projects employees are working on. Some projects automatically offer many learning opportunities and other do not, says the general manager (GM 1). As a consequence, financial decisions on training and education are made on an ad hoc basis. There is no specific learning plan for every single employee, nor are there any specific targets or benchmarks when it comes to lifelong learning.

C – Formal Education within HRM/HRD of the Enterprise

C.1 Understanding of and awareness for formal education by enterprise

The difference between formal, informal or non-formal education is of no great importance to the SME says the general manager (GM 1). A certificate that is acknowledged by the Flemish authorities is certainly not “a must”. There are other issues that matter much more to the company: has the course a surplus value for the participant and his responsibility in the firm? Has the course contributed to the pleasure the participant takes in his job? Are the results and outcomes of the learning activity relevant for the productivity of the enterprise? The employee (P 1) confirms that the quality and impact of the educational offer is more essential to the employing enterprise than the certification.

There is little difference between in the decision-making process that leads to formal education and the process leading to non-formal and informal educational offers. The processes usually start off with a consultation between an employee and his or her line manager. After that, the team of managers discusses the participation and the company's support. Matters the managers take into account are: the tuition fee and the relevance for the job. Subsequently the decision is talked over with the line manager. The line manager then informs the employee.

The choice of an educational provider – either one that is recognised by the Flemish educational authorities or not - depends on the information the management has on the courses. The management is likely to choose for education offered by organisations that are well-known to them.

C.2 Experiences with formal education in the enterprises

The SME has had some experience with formal education (education that leads to a certified qualification recognised in the Flemish educational system). A few employees have been following a professional or academic bachelor or master course provided at colleges for higher education or at universities. Some employees took a further training programme following a master course (a subsequent master course) or a postgraduate course. All these courses are geared towards professional or academic practice.⁸

The interviewed employee (P 1) is at the time of the interview involved in a master course on Sociology. This course is offered by the *Vrije Universiteit Brussel* (VUB - the Free University of Brussels). She studies part-time in addition to working.

C.3 Regulations on and support for formal education

The SME has no fixed regulations, guidelines or procedures on how the participation of employees in formal education should be processed. As with all learning opportunities, this happens on an ad hoc basis. The employee (P 1) indicates that it is in essence a matter of attuning learning chances to the projects and themes in the firm.

C.4 Assessment of promoting and hindering factors for the use of formal education within the HRD approach

According to the general manager (GM 1), there should be more training on the job, but the greatest intentions are usually counteracted by a huge lack of time. Not enough on the job training is to the general manager one of the clear shortcomings in the company's approach to training.

Another factor that hinders participation is the tension between the need to keep the prices of the products low and the wage expectancies or expectations (e.g. educational ones) of the highly qualified personnel. The main manager (GM 1) argues that with the competitiveness of the products in mind, the SME has to look for ways to cut costs on the one hand. Yet on the other hand, the employees expect high wages and adopt a critical attitude towards the processes in the SME. Consequently, they also have high expectations regarding their career, their responsibilities and their learning chances.

The employee (P 1) states that so far the SME's budget for training and education has never been a hindering factor for the participation in any kind of training. The budget is approached in a flexible way and the allocation is done instinctively. Up to now, the SME

⁸ "A diploma of an academic bachelor course is a general prerequisite for entry to a master course. A professionally-oriented bachelor can take a master course after completion of a bridging programme. At least a master diploma is required for entering a subsequent master course. Students having completed a master course and a subsequent master course earn a diploma. (...) A postgraduate course is concluded with a certificate." (Ministry of the Flemish Community, 2005).

has never turned down a training suggestion because the firm was deficient in training budget.

Other ways of supporting formal education are (1) paid educational leave and (2) special time out schemes (*tijdskrediet* (time credit) or *verlof zonder wedde* (unpaid leave)). During paid educational leave, full-time employees have the right to be absent from work, while retaining their normal pay or wage, for a number of hours which corresponds to the number of hours comprised by the courses being attended (vocational training or general education) and for which an annual maximum is laid down by law (<http://www.eurofound.europa.eu/emire/BELGIUM/PAIDEDUCATIONALLEAVE-BE.htm>).

Special time out schemes provide the opportunity for employees to have unpaid (or partly paid) time out from work. This can be granted by the employing company for a number of reasons including studying.

The general manager (GM 1) mentions that the SME is “rather careful” in allowing employees to take a paid or unpaid career break to study. In such cases, the courses taken should be relevant for the job and the firm.

D – Participation in Formal Education, Workplace Learning and HRD Policies of the Enterprise

D.1 The relation between workplace, workplace learning and the chosen formal education

As we have mentioned above, the interviewed employee (P 1) is under part-time formal training at the time of the interview. She has started her formal education in October 2007. Formal education is not new to her since she studied Roman languages (university degree) and has completed a master course in anthropology. She graduated in 1999.

For the moment the employee is working full-time for the SME as a project manager. She has been doing this job for over eight years. She (P 1) describes her current position as being an “all-rounder”. She works in three different divisions and has been working on numerous projects over the years.

As a full-time employee, the employee (P 1) has to follow classes in the evening. The exams usually take place during day-time, which means she has to take a day off at work to take an exam.

On the relation between workplace and the chosen formal education, she says:

“I follow this course in Sociology because it really interests me. It is my own choice. Still there is connection with my job responsibilities. I can certainly use research methods and statistical methods in my current job.” (SME 5 – P 1: 78)

D.2 Decision on the formal education, processing of the decision and support/nonsupport by the enterprise

The participant (P 1) talked about the master course with the SME's general manager. She did not ask the SME for a contribution to the tuition fee or any other specific privilege (e.g. adapting working hours, educational leave, etc.). Neither did she negotiate a promotion or bonus for finalising her current education. Because of this, there is no real pressure to succeed, she argues (P 1). Still:

"On the other hand, my employer is really enthusiastic about the formal education. The managers certainly motivate me." (SME 5 – P 1: 96)

D.3 Formal education, individual career goals and the work-family-personal life balance

Up to now, the employee (P 1) seems very satisfied with her decision to take the formal educational course. She clearly is convinced that taking the course will benefit her career, although she does not have clear career plans. Neither another job, an expansion of her assignments nor a higher position are intended purposes to her. Notwithstanding the long-term positive effects, the employee (P 1) is clearly aware of the negative short-term impact:

"Not everybody understands the choice to start studying again. Not all colleagues in the firm understand that decision. This is even more true for friends and family. Following a long-term course certainly causes some stress and time pressure. That is also the reason why I follow the course part-time. I also plan to have several resists. Those re-examinations take place in September, which means I will have fewer subjects during the examination period in June." (SME 5 – P 1: 89)

D.4 Assessment of promoting and hindering factors for the use of formal education for supporting the daily work and for pursuing individual career goals

As indicated, the interviewed employee is convinced that the formal education will be of great value for her personal development and for her daily work in her current position.

The employee (P 1) does not have any future formal educational plans, although she expects to "stay eager to learn". She definitely plans on following some short courses, study days, seminars, etc. on topics related to her job over the next years.

E – Synthesis - The Significance of Formal Education within the HRM and HRD of the Enterprise

SME 5 has a very dynamic business strategy. The structure of the enterprise and the structure and content of the jobs tend to change continuously. This challenges the SME to create learning opportunities through the (re)organisation of the workplace: changing the organisation chart, changing job responsibilities, job rotation, etc.

Some of these learning opportunities are informal (e.g. a mentorship programme, exchange of information during meetings, etc.), others are formal. The aspect of acknowledged certification is however not essential for the company's management.

Several aspects have an impact on the organisation and support of formal learning activities. The size of the company is one thing. The enterprise is described as 'too big to be small and too small to be big', which means that there are nearly no scale advantages (concerning time, budget, etc.). Another element is the preference for goal-oriented training with direct relevance for the company.

On the other hand, because the SME employs a lot of highly educated white-collar employees, there are a lot of learning needs and suggestions expressed by the personnel. Some are closely linked with the employee's job responsibilities, others are not. The suggestions are either caused by extrinsic motivation (being able to use the things learned on the job) or by intrinsic motivation (the joy of learning, learning as a meaningful thing for the employee), but in a lot of cases it is a combination of the two. Although the enterprise does not have fixed regulations, guidelines or procedures on how the participation of employees in formal education should be processed, the company's management always tries to motivate participants as much as possible.

References

Ministry of the Flemish Community (2005). *Education in Flanders. The Flemish educational landscape in a nutshell*. Brussels: Ministry of the Flemish Community - Educational Information and Documentation Division.

Websites

- <http://www.eurofound.europa.eu/emire/BELGIUM/PAIDEDUCATIONALLEAVE-BE.htm> (Paid educational leave)
- The company's website

CASE STUDY - SME 6

SME

- SME: is short for 'Small or medium-sized enterprise' (SME 6 should be read as: the company that is the main unit for analysis in this case study)
- NACE-code rev. 1.1: 35300
- Sector family: A (industry)
- Number of employees: 74

Interviewees

- Interviewee 1: training manager (SME 6 - TM 1)
- Interviewee 2: shift supervisor (Line manager) (SME 6 - LM 1)
- Interviewee 3: inspector (Participant 1) (SME 6 - P 1)
- Interviewee 4: technician (Participant 2) (SME 6 - P 2)

A – General Characteristics of the Enterprise

A.1 Main activity and characteristics of the organisation

SME 6 is a company for commercial aircraft maintenance, repair and overhaul services. The enterprise is part of an international group.

According to the SME's website maintenance services for shorthaul and longhaul aircraft is the core business of the company. From repairing individual components to supporting entire fleets, the company offers a wide variety of differentiated and combined products ("(...) from the smallest screw to complete components or cockpit computers." p.7) (annual report 2007 of the company's group). The company's website mentions that the portfolio of the SME also includes logistic services, modifications and structural work.

The company became a 100 percent subsidiary of that international group following the acquisition of a majority shareholding in another Belgian maintenance company in July 1999. The SME, which is EASA⁹ (European Aviation Safety Agency) - *Part 145 – Maintenance Organisation Approval*¹⁰ certified company, offers line and base maintenance for aircrafts in the Airbus and Boeing family.

⁹ EASA is an agency of the European Union which charged with the duty to develop specific regulatory and fulfill executive tasks in the field of civilian aviation safety.

¹⁰ This is the regulation issued by EASA for the aircraft maintenance sector.

The SME is situated in a central location at the Brussels National Airport in Zaventem. The company has a hangar there that is large enough to hold up to four shorthaul aircrafts at a time. It also has a logistics area in which parts are stored and stocks on hand are administrated.

The company structure: one CEO (chief executive officer) leads a team of 4 managers (quality manager, production manager, general manager, training manager). The production manager is responsible for 61 employees (technicians, mechanics, shift supervisors, etc.) working in production, planning, etc. There is also an administrative staff (4 employees) and a cleaning woman. In total, the company employs 74 Belgians (with an open-ended contract). In addition to those employees, the company employs about 15 foreigners, usually so-called “contractors” (self-employed and temporary workers).

The company has several employees’ representatives among their employees.

A.2 Business strategy

Besides innovation and the attention for customers’ needs, quality and punctuality are the most important elements in the company’s production line. This is of course reflected in the human resources strategies of the company. As they seem to be the key to the company’s success, much attention goes to the selection and (mainly vocational) training of skilled and qualified personnel. This is also a strategy to stay a sustainable business.

Time pressure is another important element the SME has to cope with. A large proportion of the SME’s production is done during night-stops. So the workers (mechanics and technicians and their supervisors) work in two shifts. There are six shifts in one week (each one is 12 hours long and employs 5 to 20 workers).

As the company has highly integrated service products (see A.1), the employees all need to have the know-how on the company’s complete range of products.

A.3 Current challenges and initiatives to meet these challenges

The demand for maintenance, repair and overhaul of aircrafts and aircraft components has continued to grow in the last years. The management report 2007 of the group explains why:

“(...) particularly because the high number of aircraft delivered in the late 1990s now requires major maintenance services for the first time. In view of the continuously expanding global fleet, the MRO¹¹ industry’s faith in the future is growing, and it has begun investing in new capacities once again. In the next ten

¹¹ MRO is short for Maintenance, Repair and Overhaul.

years, worldwide fleet growth will extend across all regions.” (Annual report 2007, p. 8)

“The market for technical services is growing at an average of 3.9% per year.” (Annual report 2007, p. 11)

According to the interviewed training manager (TM 1) the growth of the SME is inhibited by the lack of skilled people on the labour market. This is a general problem for a lot of industrial sectors in Belgium at this moment. It is also one of the main reasons why the firm puts a lot of effort in training and education.

The economic environment the company works in, is not a very stable one, indicates the shift supervisor (LM 1). One can plan ahead, but the economic trends in aviation are hard to predict, although they tend to follow a rhythmic pattern, he says. Periods of success are followed by periods of recession. For the moment the company's report 2007 speaks of a “growing international market”, although the competition in this market is intensifying and the price is increasing as a result of capacity expansion of airlines.

B – HRM, HRD and Training Policy of the Enterprise

B.1 Organisation of responsibilities and core processes in HRM and HRD

Given the shortage on the labour market, one of the main aims for the organisation's HRM is to find eligible candidates for the job. In the recruitment of skilled technicians, mechanics and supervisors, the SME does not really require specific diplomas and certificates. Most of the current workers completed their secondary education and have taken a general vocational training (ISCED 2 to 4). However, this does not mean the company does not lay down specific criteria in the selection of recruits.

A perfect command of the English language is requisite, because the language of communication in the company is English. Of course, the language used on the shop floor is a technical language with a lot of professional jargon. The technicians and mechanics learn most of the appropriate terms during their day-to-day activities and training in aviation. Still, the company expects new employees to be fluent in English when they start working in the firm. For employees with experience in the aviation industry this not a problem, others need to improve their English quickly.

The SME also expects all technicians and mechanics to have taken or to be willing to take training in aviation (see below). This means that they eventually have an EASA license *Part 66 – Certifying Staff*¹². The training that precedes the licensing is very intense. That is why the SME really tries to select candidates that are willing to make an effort to obtain that license.

¹² This is the regulation issued by EASA for the aircraft maintenance personnel (line maintenance mechanics and technicians and base maintenance engineers). This regulation is based on the older JAR 66 system.

“The company also attracts workers who are not licensed yet because, for instance, they have missed an exam in flying school or were in the middle of the procedure when they left their previous employing company. The company will offer those workers the opportunity to yet obtain that license. We offer them time to study (...). Of course, the company puts a certain pressure on those employees. In some cases, they have to eventually get that license to stay of interest to the company.” (SME 6 – TM 1: 211-213)

At the time of the interview about 75% of the mechanics, technicians and engineers have a JAR 66 or Part 66 license. When the other 25% will obtain the Part 66 license is a matter of personal choice of the workers and of the chances the SME offers them to take the courses. Because of the price of duration of the courses, not all workers can take the course in the same year.

Renewal and continuing education are required to maintain all international certifications. That is why the SME also invests a lot in refresher courses.

New young employees are closely followed and achieve much guidance during their first months. In the beginning they have to take training courses every month. These are not courses to obtain a Part 66 license, but general courses in maintenance. After a while training takes place every three months. For the more experienced workers, there are a lot of training opportunities too, although there is no fixed schedule for that.

As mentioned, the company also works with contractors. Over the last months – as a consequence of the difficulties in finding employees – the company attracts students for temporary work and holiday help. It is a strategy that must result in attracting new young employees (TM 1).

B.2 HRD objectives

The training manager of the company (TM 1) has the ultimate responsibility for aspects of training and education in the SME. The planning and budgeting of the courses for the workers usually happens a year ahead. This is necessary because of the strict deadlines for registration for many courses. Furthermore, the training manager points out that planning the training for people working in shifts requires a lot of synchronisation (between training and production) and (re)scheduling. This is also the production manager's task.

The decisions on training and education are usually taken top-down, says the training manager. The most important driver for training and education is the certificates the courses lead to. This is so important because of the EASA requirements.

“Training and education for the workers is necessary because of the strict legal framework on training in this line of work. (...) This makes training and education a common and natural thing for all employees.” (SME 6 – TM 1: 58-61)

However, sometimes the decision-making process is bottom-up. The management uses appraisal interviews to listen to complaints, learning needs, etc. of all employees. Issues that are brought up by employees are later discussed during HR-meetings with all the managers.

B.3 HRD strategies and use of public support schemes for HRD/training

The company can not make use of public co-funding sources¹³ to pay for education and training. There are no financial contributions by the Belgian authority. The training manager (TM 1) regrets this. He argues that the training efforts of the SME pay off for society. Keeping the knowledge and know-how of the workforce up-to-date has a positive effect on the labour market, he explains.

B.4 Significance of training activities

Education and training are very important to the company. How much training do all employees get each year? According to the training manager (TM 1) this is hard to say. It depends on the seniority of the employee in the firm (e.g. a new technician will receive more training than an experienced technician). It also depends on the amount of new aircrafts the company's gets licensed for. One interviewed employee (P 2) estimates the average amount of education at about 50 percent of all working time. He indicates that the workers have an average of 100 working days a year. During the other days, education and training take place. This is no exception in this line of work but simply the norm, he explains.

For each new airplane type, it takes 9 to 11 weeks of full-time training before a shop floor worker (no matter what the seniority is) is comfortable with the maintenance of the aircraft (6 to 8 weeks of full-time theoretical instruction in accordance with international guidelines and finished off with a closed book exam, followed by 3 weeks of full-time practical instruction).

The training programmes for the workers are usually very intensive. This is not so much the case for the administrative and managerial staff. There is – compared to the shop floor workers - little training offered to those employees. The training manager (TM 1) explains that there are nearly no learning gaps to be expected within the administrative and managerial staff because the task assignments there are more stable.

Most of the training that takes place on the initiative of the SME is in company training. This training is offered by either the shift supervisor, the SME's training manager or by another expert of the multinational group the company belongs to. Sometimes the SME

¹³ e.g. BEA - *Budget voor Economisch Advies* (Budget for economical advice), Training Vouchers for employees, paid educational leave, etc.

calls in other commercial organisations. These are either training centers¹⁴ or other commercial aircraft maintenance services or private companies specialised in other topics. For instance, a course on auditing was provided by Amelior. This is a commercial organisation that offers training, workshops, consultancy on quality, safety environment and human resources management.

Most of the training is geared towards the technicians and mechanics (about 80 per cent of the work force) although some courses are mandatory for all the employees in the SME (e.g. a course called 'Human factors' on working under stress, social skills, etc.).

C – Formal Education within HRM/HRD of the Enterprise

C.1 Understanding of and awareness for formal education by enterprise

In the opinion of the training manager (TM 1), there is no clear difference between formal education and other types of education (non-formal or informal). The only difference he refers to is the certification the type of education leads to. To become or stay EASA licensed, certification is essential. One can obtain the EASA licenses in training venues that are EASA certified (i.e. one of the schools mentioned in C.2 or another EASA *Part 147* training facility). To get an EASA license one must pass several exams. Several training centers can help employees preparing for the exams, but self-tuition is possible too (P 1).

This however does not mean that the SME does not support learning opportunities that do not lead to a certificate. The management and shift supervisors do welcome informal and non-formal training suggestions. It is considered a natural and good thing to the training manager (TM 1) that people learn things by executing tasks and by asking other employees questions. One interviewed employee (P 2) confirms this and says he "always learns something during his work".

The company does not have any specific tools for informal learning, although it is possible a mentorship programme will start off soon.

C.2 Experiences with formal education in the enterprises

Recently, the SME has been starting working together with recognised aviation schools in Belgium¹⁵:

- *KHBO (Katholieke Hogeschool Brugge – Oostende)*: this college for higher education in Bruges and Ostend offers a professional bachelor in aviation technology – aspirant pilot.

¹⁴ These centers must have a license EASA *Part-147 - Training Organisation Requirements*. Part-147 governs the setting up and gaining approval for a training school for aircraft mechanics.

¹⁵ KHBO and ZAVO are both formal educational institutions part of the system of schools, colleges and universities. BAFA and WAN are private organisations, still they are authorised to provide certifications recognised by the Belgian federal public service on Mobility and Transport

- *ZAVO (Zaventems Vrij Onderwijs)*: a school for compulsory secondary education that offers (as *Technisch Secundair Onderwijs* (TSO) – technical secondary education¹⁶) courses in aircraft techniques.
- *BAFA* (Ben-Air Flight Academy N.V.): this is a specialised aviation academy located in Antwerp, recognised as a flight training organisation (FTO) by the Belgian and European governments.
- *WAN* (Wallonië Aerotraining Network): this is a non-profit private aviation school, located in Charleroi

The shortage of skilled workers on the labour market is clearly a motivator for the collaboration with these schools. This collaboration means the curriculum of the courses take place in consultation with the SME, students help in the SME during school holidays to acquire knowledge, etc.

As a result of this collaboration, the SME has known a significant increase in apprenticeships and holiday jobs for students.

“The company has good contacts with the Belgian aviation schools (...) School and enterprises slowly grow towards one another. This is a general trend.” (SME 6 – TM 1: 223)

In line with this trend is the opportunity the SME gives to new personnel to obtain their *Part-66 license – Certifying Staff* while working for the company. The collaboration with recognised schools works in both directions: the SME helps the schools and the schools help the SME.

C.3 Regulations on and support for formal education

One of the main reasons the SME makes heavily use of different types of formal training for the mechanics and technicians, are the certificates these courses lead to. These certificates are important to the SME because of the severe legal EASA requirements. The EASA requirements make it mandatory upon the SME to constantly invest in theoretical and technical courses.

Likewise, the customers of the company (several major airlines) expect the workers to have taken training and passed exams that demonstrate in-depth knowledge of the aircraft and the airlines' procedures (documents, etc.). Before contracts are made, the SME provides the customer evidence of valid training.

All licensing involves training and certification. Licenses are only issued to aircraft maintenance companies of which the mechanics and technicians pass the certification

¹⁶ “(...) technical secondary education (TSO), places a special emphasis on general and technical/theoretical subjects. After TSO, young people can exercise a profession or pass on to tertiary education.” (Ministry of the Flemish Community, 2005)

exams or training. The acknowledged certificates in this case are not directly recognised by the Flemish educational system. Indirectly they are because, as a member of the European Union, the Flemish authorities must adopt the common rules in the field of civil aviation developed by EASA. All learning with a view to gain an EASA license is intentional from the learner's point of view. The certification leads to a next educational level.

Course renewal and continuing education are required to maintain all international certifications. That is why the SME also invests a lot in refresher courses.

Training offered by an educational provider that is part of the Flemish educational system (school, universities, centres for adult education, etc.) is far less common in the company's HRD approach (see below, P 1). If this kind of participation takes place, it is usually on the initiative of the individual employee. In some cases, it is not even reported to the SME's management, says the training manager (TM 1).

C.4 Assessment of promoting and hindering factors for the use of formal education within the HRD approach

All of the courses as part of the EASA certification are fully paid by the company. They all take place during paid working hours. The certificates the courses lead to are personal, which means that people take the certificates with them when they leave the firm. This is a factor that enhances participation.

To promote the participation in this type of education, the SME gives a bonus (a small pay increase) to all the workers that achieve a *Part 66* License.

The company's budget is nearly ever a deterrent to training.

One of the hindering factors for all types of education and training is, according to all respondents, the time pressure (see A.2). When a course is planned, the management must make sure that it does not interfere with the production line. The SME calls in contractors in cases training does interfere with the production. But even then it happens that a trainee has to leave the course to take care of a problem on the shop floor.

D – Participation in Formal Education, Workplace Learning and HRD Policies of the Enterprise

D.1 The relation between workplace, workplace learning and the chosen formal education

Both interviewed employees (P 1 and P 2) are part of the team of technicians and mechanics. Participant 1 recently took a course to become an inspector. As an inspector he has the final responsibility in the release of aircrafts. Before that course, he got a *JAR 66* license through self-tuition. The first course was suggested to him by the SME's management. He took the second on his own initiative: he paid for it himself and did all self-tuition in his spare time. He did so because at that time he was changing from one

company to another. Since September 2007, the employee (P 1) participates in part-time education in arts (*Deeltijds Kunstonderwijs (DKO)*) (ISCED 3). He started this course again on his own initiative because it is not closely associated to his job responsibilities, so there was little reason to ask for direct support of the company.

Participant 2 is a technician. Over the ten years he has been working for the SME, he has taken several courses (e.g. the basic course that leads to a *Part 66* license), offered by different providers.

D.2 Decision on the formal education, processing of the decision and support/nonsupport by the enterprise

The formal educational courses that lead to a certificate are often the result of a top-down decision-making process (see B.2). For the courses taken on an employee's own initiative, the SME does not have any specific regulations (there is no credit hours system for instance). The participant (P 2) does however experience some flexibility in the way the work is organised. It is possible to start the working day later or to change shifts, he says. The other participant (P 1) confirms this and indicates this is even true for the courses that are not directly linked with the job.

D.3 Formal education, individual career goals and the work-family-personal life balance

Both of the employees (P 1 and P 2) indicate that some of the knowledge and know-how they have gained through formal and informal education over the years is transferable to other employing companies and other industries. This seems the case for knowledge on, for instance, pneumatics, hydromechanics, etc. Even the things learned in education in arts (e.g. fingering, eye-hand-coordination) seem useful for the work technicians and mechanics do (P 1).

Most of the procedural knowledge, however, is very field-specific, as is the value of the EASA licenses. That is why, as the line manager notifies, once you go into the aviation business, you will most likely stay there.

The formal education, especially when it does not take place during paid working time, causes stress and puts pressure on your social life, indicates one participant (P 1).

D.4 Assessment of promoting and hindering factors for the use of formal education for supporting the daily work and for pursuing individual career goals

Both interviewed employees (P 1 and P 2) seemed very satisfied with the courses they have followed so far. Although the respondents mention to be interested in things like language courses, ICT, etc., they do not have any specific training plans for the near future. Still they are open for suggestions and see training and education as part of their job.

“I have always been very eager to learn. (...) It helps to avoid that a job becomes a routine. Up to now, the learning opportunities I took all turned out to be good ones. Thanks to my certificates and licenses I am in a way more independent too.” (SME 6 – P 2: -)

E – Synthesis - The Significance of Formal Education within the HRM and HRD of the Enterprise

The most important aspects of the company's business strategy are: the attention for customers' needs, quality and punctuality. This is reflected in the HRM and HRD strategies of the company.

The attention the company has for learning, however, is mainly caused by the shortage of experienced aviation workers on the labour market and by the legal framework on aircraft maintenance. In aviation, technology and consumer preferences change rapidly and technical knowledge and know-how tends to become obsolete very fast. As a result, all employees receive a lot of training and education. Most of it is formal, leading to certificates acknowledged by the international aviation authorities. Again, this is necessary to meet all legal requirements as a company. Because of safety reasons, having outdated skills is simply not accepted in this line of work. The SME also wants to provide (potential) customers evidence of valid training. In a way, continuously updating the skills of the employees is a marketing strategy.

Decisions on training and education are usually taken top-down. When the company suggests a formal educational activity, the registration fee is paid by the company and the participation takes place during paid working time. In most of the cases a small financial reward is promised to the participants. Even though this financial incentive should not be overlooked, it is clearly not the most important motivator. More important, on an individual level, for the participation in the intensive training programmes is the certification it leads to. Because all certificates and licenses are assigned to individual employees and not to the company, they are considered stepping stones for a successful career in aviation. In line with this observation, the company will only financially support employees joining a training programme when this is necessary for the production and business in general. As a result, training is more of a duty than a right.

Because the workers (working in shifts) are involved in a lot of formal training courses, synchronisation (between training and production) and (re)scheduling is a major challenge.

Recently the company started to work together with different Belgian aviation schools. The shortage of skilled workers on the labour market clearly induces that collaboration. The company does not make use of public co-funding sources to pay for education. The company and the aviation sector in general seem to have few opportunities to apply for financial contributions by the Belgian authorities.

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- <http://www.easa.eu.int> (European Aviation Safety Agency)
- <http://www.zavo.be> (Zaventems Vrije Onderwijs)
- The company's website

CASE STUDY - SME 7

SME

- SME: is short for 'Small or medium-sized enterprise' (SME 7 should be read as: the company that is the main unit for analysis in this case study)
- NACE-code rev. 1.1 (BTW): 28120
- Sector family: A (industry)
- Number of employees: 300 in Belgium / 20 abroad

Interviewees

- Interviewee 1: training manager (SME 7 TM 1)
- Interviewee 2: human Resources manager (SME 7 - HRM 1)
- Interviewee 3: product engineer gates (participant 1) (SME 7 - P 1)
- Interviewee 4: head of maintenance (participant 2) (SME 7 - P 2)

A – General Characteristics of the Enterprise

A.1 Main activity and characteristics of the organisation

SME 7 is an enterprise that makes and sells awnings, shutters and gates. The company was founded in 1946 as a small family business that produced wooden shutters. In the late sixties and early seventies the firm started to use other materials (like plastic and aluminum) for roller-shutters. The company's website mentions that by 1973 the company's capital had increased from 50.000 euro to 2 million euro. The company's headquarters were by then located in Diest, where they still are today. In 1987 three branches were established: one in France (Avelin), one in Germany (Düren) and one in the Netherlands (Breda). The company's production occurs in the largest facility in Belgium.

In order to respond to the significant increase in personnel over the years, the SME slowly became more structured and more professionalised. According to the interviewed human resources manager (HRM 1) the attention the SME still has for the employees, their wellbeing and the flexible workflow system is something the company inherited from the small family business in the initial phase.

Today, the company employs 320 people, of which 300 work in Belgium. Most of those employees are blue-collar workers (200) working in shifts. A majority has completed secondary education, but not all of the workers have (ISCED 2 to 4). Among the white-

collar workers the qualifications mainly range from a certificate of 1-cycle higher education provided by colleges for higher education to a university degree.

A.2 Business strategy

When the SME was founded 62 years ago, there was practically no competition in the market of awnings and shutters. This is different today, says the human resources manager (HRM 1). To differentiate itself from the competitors, the company has a business strategy that focuses on three different aspects: (1) quality, (2) service, (3) fastness and efficiency.

(1) Offering superior products is one of the main concerns of the SME today. The focus on quality is reflected in the way the products are offered to the market: the company gives a five year warranty for finished products (two years for parts) and it guarantees a correct and complete delivery in the short term (a delivery reliability of 98 per cent). Most of the products are tailor-made:

“We never offer second-class products or mass-produced articles, only top-class tailor made products.” (SME 7 - HRM 1: 5)

“We start off with the question: how do we want our clients to perceive the company? The answer is: as a company that offers quality. (...) We choose for products that are easy to work with and that need little aftercare. (...) We do what we say we will do.” (SME 7 – TM 1: 29)

The company's website indicates that the organisation offers customised solutions for every budget and to the last detail. To assure an excellent output, the company espouses different aspects of total quality management. The company has an ISO 9001 certificate and all products are certified by TÜV¹⁷. Both are quality management standard systems that include inspection, testing and external auditing of the organisational processes. The company also has a system of self evaluation. This evaluation is done with a standard questionnaire that is conducted by three teams of two employees. The human resources manager (HRM 1) states that the advantage of self-auditing is that the auditors know the daily practice of improving an organisation's efficiency and effectiveness.

(2) Above all the SME is described by three of the interviewees (TM 1, HRM 1, P 1) as service-oriented and client-oriented. The company aims directly at, in words of the training manager (TM 1), “customer intimacy”. This involves in the first place understanding the needs of the customers and a commitment to meet those needs. The focus on the clients makes clear the SME does not totally rely on technology or product innovation for competitive advantage.

¹⁷ TÜV is a testing, inspection and certification organisation offering services for a wide range of industries worldwide.

“We do not adopt the strategy of aiming at product-leadership. (...) The company wants to be innovative, but not a forerunner.” (SME 7 – TM 1: 27)

Neither is the company looking for the advantages of competitor-base pricing.

(3) A third aspect that is essential in the company's business strategy is working fast and efficiently. As the company's range of products will enlarge and the SME always tries to develop as much as possible in-house, it is described as a challenge (P 1) to speed the time to market and to control the quality at the same time. To get all the work done today, the production workers work in shifts (especially during high season). The company also successfully implemented a job rotation policy¹⁸.

A.3 Current challenges and initiatives to meet these challenges

Another challenge for the company is the continuing growth of the enterprise. In the opinion of the training manager (TM 1) the SME needs to grow to be able to stay a top-class player. According to an interviewed employee (P 1) the production of gates and the use of other raw materials will probably increase. In the view of the human resources manager (HRM 1) controlling the coherence of the work force on an organisational level is another challenge. This particularly is a matter of keeping communication lines transparent and coherent. A closely associated challenge the SME faces is the use of new communication and HRM tools (for instance, the use of an electronic calendar). This is not always easy because of the high seniority of some of the employees (HRM 1).

B – HRM, HRD and Training Policy of the Enterprise

B.1 Organisation of responsibilities and core processes in HRM and HRD

The SME does not use fixed requirements for the (new) employees with regards to certificate or diploma. The training manager (TM 1) stresses that the previous education is not the only decisive factor in the process of attracting new personnel. The knowledge people have through experience, their curiosity and eagerness to learn are as important. The company has a low turnover rate.

B.2 HRD objectives

¹⁸ This policy is not a company-wide one. It is limited to some workers (50) in production and is a result of the fact that the company sells other products in the summer period (awnings) than during the winter time (shutters and gates).

To be consistent with the main elements of the SME's business approach (quality, service-orienting, fastness and efficiency) the organisation puts a lot of effort into the development of human resources. The company has a manager that focuses on aspects of training and education (the interviewed training manager (TM 1)). The HRM division (3 employees in total) also helps to shape the conditions for employees to broaden their expertise, know-how and professional ability.

Although the company does not have a specific long-term training plan or path for each employee, learning is a central issue in the company's HRD and HRM approach. It is brought up during job interviews and is discussed in every appraisal and evaluation interview. The organisation tries to offer all employees equal learning opportunities. However, not all employees take the opportunities that are given (HRM 1, P 1). Not every employee is or stays interested in additional learning opportunities.

B.3 HRD strategies and use of public support schemes for HRD/training

Besides the recurring appraisal and evaluation interviews, the company uses several other HRD strategies and tools.

For instance, the SME started working recently with a new instrument for competence management. With the use of specialised software package (designed by the private organisation *Cognosis NV* and the college for higher education *Groep T Leuven Education School*) the SME makes a competence portfolio for every employee. The primary idea behind this portfolio-tool is to be able to compile all the curricula vitae of the employees and all their certificates, diplomas, proofs of competence, etc. By doing so, the management gets a good view of the skills and knowledge in the firm and has a tool to make these presentable. It is also a device to identify knowledge gaps and learning needs.

Recently the company started with a pilot project on work instructions. For this project, the company trained several employees that take part in the production to become a trainer in a specific division or so-called 'task-group'. The trainers (mostly two per task-group) then act as an intermediary for the people in the task-group. They trace efficiency, optimise work instructions and support the workers to pick up new ways of working quickly and efficiently. For this, the trainers have several tools: a flexibility matrix (that tracks the various skills (technical competences, self-reliance, etc.) of current workers as they progress through different stages in executing their assignments), training plans (short-term plans with clear goals linked to a time schedule), a diary, a follow-up report (that analyses the workers' attitudes, day-to-day activities, etc.). The trainers are coached and guided by the managers (no external organisations are involved). There is also a specific tool for that (a checklist).

With regards to public support and co-funding, the training manager (TM 1) argues that the authorities should increase the (financial) support for all types learning for employees. She believes that the government should make it possible for all employees to leave their job temporarily to study. The current governmental initiatives (e.g. *BEA* -

Budget voor Economisch Advies (Budget for economical advice), Training Vouchers for employees, paid educational leave, etc.) are not sufficient in her opinion. The BEA-regulation, for instance, is in her view too administrative and complex. She also mentions that the company is too big to benefit from some of the policy incentives for SMEs, because the company has more than 250 employees with open-ended contracts.

B.4 Significance of training activities

According to the training manager (TM 1), all employees should be offered the possibility to learn and educate themselves continuously. This is not only essential for the employee but also for the company as a whole. Orienting the organisation's operations to the request of the customers, for instance, is something that requires training. It also takes a certain flexibility and readiness of the employees to learn new things, says the training manager.

The two projects mentioned above (see B.3) both show how the company tries to trace learning needs and to organise workplace learning. By using evaluation and appraisal interviews the company tries to detect learning gaps and needs actively. Learning needs are integrated with the practice and arise from it (e.g. learning to work with new ERP¹⁹-software). They also arise from the way the work is organised. E.g. because of the job rotation, employees need refresher courses every now and then (HRM 1). It is an important responsibility of the line managers to identify the learning needs.

Of course, educational initiatives are sometimes suggested spontaneously by employees, although this does not happen that much (HRM 1). One of the interviewed employees (P 2) indicates that long-term courses are usually suggested by the employees.

The human resources manager notifies that the SME does not set a training budget per employee. There is one global budget. The shortage of budget is hardly ever a reason for turning down a suggestion for training or education.

Relating to training and education, there are no targets the employees have to meet.

Most of the training courses the SME organises for the workers are in-house technical courses offered by external organisations (non-school organisations). In the past courses took place on the use of a fork-lift truck, roller bridge, electronics, etc. For the managerial staff the SME organises training on topics like 'how to communicate as a manager'. This course took place recently and was provided by *Globis*, a commercial organisation that offers consultancy and training, open courses and tailored ones.

To motivate and stimulate employees to enroll in a course, the HRM manager posts up the training opportunities and informs employees through e-mail. The average amount of training per employee is 2 to 3 days per year, says the HRM manager (HRM 1). It is hard

¹⁹ ERP is short for: Enterprise Resource Planning.

for her to pinpoint an average for the managers and administrative staff. There seems to be a great disparity of participation among the managers.

C – Formal Education within HRM/HRD of the Enterprise

C.1 Understanding of and awareness for formal education by enterprise

When the interviewees were asked about their understanding of formal education, the training manager (TM 1) explicitly referred to the school system. In her view, there should be a stronger link between the school system and the world of enterprise. Technical training and vocational training are undervalued now. Because the training manager has worked as a school teacher herself, she sees a lot of possibilities to improve the didactics of the school system. She also is convinced that a lot of employees are still focused on certification, in her view perhaps too focused on certification. That is also a reason why some employees want to participate in formal education.

“It is a way for them to grade up their level of education while working. (...) they want to convert their level of education into cash.” (SME 7 – TM 1: 69)

The decision-making process for participation in formal education depends on three things: (1) the employee (is he or she a shop floor worker, a white-collar worker or a manager), (2) the duration of the course and (3) the reason for participation.

For the shop floor workers, the trainers and heads of the division decide. For the other employees, the decisions are made by the head of the team or the training manager.

For short courses there never seems to be a reason to say ‘no’ to a course that is suggested. For long-term and expensive courses, the support of the SME is discussed by the team of managers. This is especially the case when there is clearly no link between the employee’s suggestion and his or her job responsibilities. For instance, when a worker wants to get a driver’s license for long vehicles, the management will verify if that course is necessary for his current or future position in the firm.

Another factor that might influence the decision-making process is the information on the provider (how well do we know the provider? How well do we know the trainer? See C.4).

C.2 Experiences with formal education in the enterprises

The company has quite a lot of experience with formal education. Today, several people take formal educational courses, some during paid working time, others not. The amount of people involved in formal education is, however, but a fraction of the number of employees participating in informal in-house training (not leading to an acknowledged certificate).

C.3 Regulations on and support for formal education

The company does not have specific regulations on formal education. Every suggestion is talked through with the employee.

Most of the short courses are fully paid by the SME, although there are some exceptions to that rule. On the long-term courses (see D) agreements can be made, like a fifty-fifty payment of the registration fee.

C.4 Assessment of promoting and hindering factors for the use of formal education within the HRD approach

In general, the SME prefers training and education that is goal-oriented. Most of the in-house courses start off with a very specific goal or question (e.g. how do I make an invoice in this software programme?). The course will focus on that question and will not try to impart every single aspect of the software to the participants.

“Even a language course is tailored towards the world of enterprise. This means a teacher should know that world.” (SME 7 – TM 1: 85-89)

All of this implies that the provider of the course knows how to tailor the content to the real-life job situation. The trainer should be able to lead and coach the trainees to a self-driven and result-oriented performance. It is not easy to find all of that in the classic educational system, says the training manager (TM1). In her opinion, the VDAB (*Vlaamse Dienst voor Arbeidsbemiddeling* - the Flemish Public Employment Service) does meet those demands:

“A lot of people in our company have followed a course in a VDAB competence centre. (...) The VDAB has a good view on what small and medium-sized enterprises want. The classic school system does not have that view.” (SME 7 – TM 1: 91-93)

Another aspect that might hinder participation in formal education is the time pressure, especially in the high season. That is why the workers in the production department are motivated to take courses out of season.

D – Participation in Formal Education, Workplace Learning and HRD Policies of the enterprise

D.1 The relation between workplace, workplace learning and the chosen formal education

The first interviewed employee (P 1) follows an MBA primer (Master Business Administration) programme in the NTI University in Utrecht in the Netherlands. The NTI

University is a management school (a college for higher education). The NTI University has an accreditation by the recognised validation council²⁰. The organisation has concluded that the NTI master training meets international standards. The condition of entry for the MBA course is having a professional or academic bachelor degree in business administration or an MBA primer certificate. To have access to the MBA primer one must work as manager in a firm. The MBA primer is a transitional study of four months to prepare for an MBA. The course mainly consists of blended learning (learning through the use of physical resources and on-line ones). The NTI University organises 4 'practice days' for the students. These face-to-face sessions are used to deliver instruction, but also to meet business people and to learn through discussion with them. The course is not finished off by an exam. Each participant has to write a management paper that will be evaluated.

In the employee's view (P 1) the primer course is closely associated with his job. It helps him get an in-depth understanding of managerial aspects and of decision-making processes on an organisational level (mission, vision, strategy, etc.)

The second employee (P 2) participates in a three-year course on 'Maintenance of networks, information technology and electricity'. The course is provided by a centre for adult education (*centrum voor volwassenenonderwijs* – CVO). The employee follows the course in the evening. Each year ends with exams. When the participant passes all the exams over the three years, he is awarded a certificate (ISCED 3) that is acknowledged by the Flemish educational system.

At this moment, the participant is completing his third and final year. At this stage, he has to follow classes three evenings a week. During the first two years, this was two evenings a week.

D.2 Decision on the formal education, processing of the decision and support/nonsupport by the enterprise

For the first employee (P 1), the formal education is a way to test himself and to see if he knows how to handle the subject material. If he succeeds in completing the primer course successfully he will most likely enroll in the MBA course. He registered for the primer course on his own initiative.

The employee discussed his participation in the MBA primer programme with the managers of the SME. The firm decided to fully pay the registration fee, because the tuition fee of the programme was considered reasonable and the course seemed relevant enough for the employee's current job responsibilities.

²⁰ NVAO (*Nederlands-Vlaamse Accreditatieorganisatie*) is the accreditation organisation of the Netherlands and Flanders. The organisation was established by international treaty and it ensures the quality of higher education in the Netherlands and Flemish Community.

The other interviewed employee (P 2) is especially interested in the certificate the course leads to. Again the registration fee for the course was paid by the company. This decision was made in consultation with the HRM manager (HRM 1). Just like in the case of participant 1, the SME was easily persuaded to support the course financially. The participant also uses Training Vouchers²¹ to pay a part of the registration fee. Over the three years of training he never took paid educational leave to prepare for exams.

D.3 Formal education, individual career goals and the work-family-personal life balance

The two interviewed employees have a very different career. The first one is a white-collar worker that only has been with the firm for one year while the second one is a blue-collar worker that has been employed in the SME for almost 30 years. The first has just started a formal educational training while the second one is preparing himself for the final examination.

Notwithstanding those differences, the motivations for joining a formal education programme were, however, more or less the same for both employees. Both employees want to upgrade their educational level with an acknowledged certificate. Although neither one of them has any specific plans on leaving the SME or on looking for career advancement, they are both ambitious when it comes to qualification aspirations. They both consider themselves “eager to learn”.

Both employees (P 1, P2) stress that joining the programme was a very intense experience. Even though they do not really face conflicts over balancing work, family and personal life, both interviewees underline that their participation clearly has an impact on their working life, social life, family life and spare time. Sacrificing three evenings a week is particularly challenging (P 2).

“It was very important to me that my wife and three children supported me during the programme. (...) It was not always easy, (...) especially during the last year. I thought about dropping out, but because of several reasons I carried on. One of those reasons was the surplus value the programme has for my day-to-day work in the firm.” (SME 7 – P 2: 41-49)

The two employees also indicate that their participation benefits their personal life (e.g. meeting kindred spirits, interchanging information with other attendants, etc.).

D.4 Assessment of promoting and hindering factors for the use of formal education for supporting the daily work and for pursuing individual career goals

²¹ i.e. a cost reducing measure that covers some of the training costs, at least when the training is offered by a certified training center. The opleidingscheques are an initiative of the Flemish Government to stimulate lifelong and lifewide learning.

The two interviewed participants (P 1, P 2) are fully satisfied with the quality of the continuing education. The content of the programmes helps them in their daily work processes, although the courses are not really a “must” for executing their current job assignments. Both employees are confident that they can use their learning activities at their current workplace. Especially the first employee (P 1) sees the course as a way to broaden the basis for a more intense engagement in the firm's managerial processes.

E – Synthesis - The Significance of Formal Education within the HRM and HRD of the Enterprise

SME 7 is a company in transition. Founded as a small family business, the company is now on the point of turning into a big enterprise. The company tries to keep the advantages of a small enterprise (a focus on the wellbeing of the employees, the flexible workflow system, etc.) while at the same time it is challenged to make major structural and business adjustments. The company is moving from a manufacturing-driven small enterprise with little competitors to a big service-driven enterprise in a market with a medium to high level of competition. Consequently, the company has made the resolute choice of focusing on: quality, service-orienting, fastness and efficiency.

To be consistent with the main elements of the SME's business approach the organisation puts a lot of effort into the development of human resources, using tools like: recurring appraisal and evaluation interviews, a competence management instrument, a pilot project on work instructions, etc. Even though the company does not have any long term training plans or targets related to training, the SME motivates employees to enroll in courses (e.g. by posting up information on courses). How the company exactly supports formal education depends on several aspects: the position of the employee, the duration of the course, the reason for participation, the orientation of the course. Decisions are usually talked through with the employee. Most of the short courses are fully paid by the SME. Oftentimes this happens without the participant having to ask for it. On the long-term courses agreements can be made, like a fifty-fifty payment of the registration fee.

References

- The company's website

CASE STUDY - SME 8

SME

- SME: is short for 'Small or medium-sized enterprise' (SME 8 should be read as: the company that is the main unit for analysis in this case study)
- NACE-code rev. 1.1: 60242
- Sector family B (Services)
- Number of employees: 343

Interviewees

- Interviewee 1: supervisor (line manager 1) (SME 8 - LM 1)
- Interviewee 2: employee (participant 1) (SME 8 - P 1)
- Interviewee 3: human resources manager (manager 1) (SME 8 - M 1)

A – General Characteristics of the Enterprise

A.1 Main activity and characteristics of the organisation

SME 8 is specialised supplier of products, customer solutions, and services in the rolling bearing, seals, mechatronics and lubrications systems business. The enterprise is part of an international group. According to the corporate website, the group holds an “important position in the market for linear motion products, as well as high precision bearings, spindles and spindle services for the machine tool industry.”

The first factory of the group was founded in Sweden in 1907. The distribution centre in Tongeren was constructed in 1994. The Belgian company focuses (in contrast to most other companies in the group) on logistics. This involves transportation, inventory, warehousing and packaging. The company in Belgium is the main European distribution centre of the group.

Since the year 2000 the SME does not only take care of logistics and transport activities for the group, but also for other well-known companies that produce similar products.

“Based on positive customer response, and on our wide experience in industrial logistics, [SME 8] decided to provide integrated logistics services to help external customers become more competitive worldwide.” (The company’s website)

SME 8 is located in Tongeren, in the province of Limburg (in the east of Flanders). The SME employs 343 people with open-ended contracts of which 246 work in the warehouse. The blue-collar workers work in shift (3 shifts of roughly 70 workers). The other employees are white-collar workers (management, administrative staff, etc.). The SME also employs, at this moment (June 2008), 58 people with a temporary contract.

The company enjoys a very good reputation in developing a strong relationship between management and employees. According to the human resource manager (M 1), the SME stands out for its progressive, employee-friendly policies. In 2005 the company was awarded for its gender friendly HRM. The SME also tries to be well-disposed towards minorities and employees with different nationalities:

“We want the work force to be a reflection of society. We aim for a good mix of people. (...) This also means a work force with a variety of nationalities.” (SME 8 – M1: 109-111)

The employment of people with different nationalities and various ethnic backgrounds in the firm is not as easy as it appears to be, says the line manager (LM 1). For instance, it is important for safety reasons and for work consultations that people speak the same language.

The line manager emphasises that the social mentality and the well-considered structure of the enterprise are motivating for the employees. The good relationship between employees, the employees' representatives and the management reflects this, he says. Important choices concerning employees are always made in consultation with the employees.

A.2 Business strategy

The company's employees are at the centre of the SME's business strategy. Because the enterprise focuses on logistics, having experienced and well-informed personnel is essential. For this monitoring and training in particular are crucial. But also other aspects of human resources management are increasingly important (e.g. job rotation, gap analysis (see below), competence management, etc.).

Two other key aspects of the company's business strategy are innovation and quality. The company's group is in the first place innovative in the way products are being developed. The SME is particularly innovation driven in the way the global warehouse and distribution system are organised. The company has invested in sophisticated logistic systems (warehousing technology, bar coding systems, etc.) to make sure all products reach their customers in the most efficient way: fast, with low costs and with low errors. These systems are also a way of coping with rapidly changing logistical demands and technology in this line of work.

All of this is based on the belief that innovation, efficiency and an outstanding customer's service must be based on quality. The company aims at a high level of quality, from shop floor worker to CEO, says the interviewed line manager (LM 1). To guarantee quality, the company invests a lot in quality management, quality control, effective communication and information systems, etc. All of this leads to a company that, according to the SME's website, "is able to guarantee a swift and traceable service to the market."

The quality management of the SME is based on a specific quality management system developed by the group. This is a "code of behavior", says the human resources manager (M 1). The company is also certified for ISO 9001:2000 and is included in the ISO 14001 certification of the group. The enterprise is also granted the OHSAS certificate for occupational health and safety management. Besides that, the company has its own quality system. Twice a year an internal audit takes place.

The fact that the company perceives quality as key factor of competitiveness is somehow rare in this line of work, indicates the human resources manager (M 1). It is characteristic for the group the company is part of.

A.3 Current challenges and initiatives to meet these challenges

The interviewed line manager (LM 1) says it is not easy to find new warehouse workers with the desired personality. It is a challenge for the SME to recruit employees with "a good attitude", he says. Because of the shortage of personnel the company works with temporary employees very often. Attracting additional personnel is an important challenge for the human resources manager too (M 1). She indicates that this has always been the case because of the constant growth of the company since the foundation.

Another challenge is the internationalisation. A temporarily exchange of employees between different companies in the group is becoming more and more customary.

B – HRM, HRD and Training Policy of the Enterprise

B.1 Organisation of responsibilities and core processes in HRM and HRD

Most of the warehouse workers have a degree in secondary education. Some have completed the third stage of their secondary education, while others ceased their previous education after completing the second stage (ISCED 2 – 3). Generally, the white-collar workers are higher educated (ISCED 3 to 5).

The warehouse workers have to perform a variety of manual tasks. The most important task is to pick and pack orders.

The company has the benefit of a low staff turnover (M 1). For the warehouse workers this is about 3 to 5 per cent. For the other employees the turnover rate is one per cent or less.

When recruiting new personnel the criteria vary according to the position. The employees working for the customer's service, for instance, have to be fluent in three languages. For the workers in the warehouse this is not so important.

B.2 HRD objectives

As already mentioned, the continuous development of the employees is a key element in the company's overall business strategy. The company has a human resources division that has the decision-making power over all aspects of the HRD. Training and education are an essential part of that. The human resources division not only makes decisions on training and education in consultation with the employees and the management, it also screens the educational market for excellent trainers, contacts the training centre of the group, etc.

B.3 HRD strategies and use of public support schemes for HRD/training

The attention the company displays for HRD is not selective to one or more divisions or levels of the workforce. The company focuses on all of the employees. Different strategies are used for that.

Firstly, all employees have a training plan, blue- as well as white-collar workers. This plan contains the training initiatives for an individual for the next year. The content is as specific as possible. The plan is based on training needs and suggestions expressed by the employee and by those expressed by someone with executive powers over that employee. The plan is continuously revised and is flexible so it can be adjusted at any time to new interests that might come up.

Secondly, the enterprise also uses other HRD tools for the support of the HRD and training. For instance, HRD and training are also embedded in the company's internal communication, the company's competence management system, 360 degrees evaluation, etc.

The company's training approach is evaluated every year. To get a good view on the training that is needed for the different employees and divisions the company executes a so-called "gap analysis". This analysis enables the company to compare its actual performance with its potential performance. It starts off with the question: are there any competence gaps we need to fill and how do we fill them? As a result of the analysis, the company can come up with various suggestions. Training and education is one of them, but also participating in a project, individual coaching, and so on.

B.4 Significance of training activities

To offer the employees training opportunities on a regularly basis, the company organises and supports a variety of training activities. Some of the activities are in-house, others are off the job. Some of the learning opportunities are for all employees or

for groups, others for individuals. Training courses can be offered either by an internal trainer (an employee of the company or of the group) or by an external trainer (another company, a private or public educational provider, etc.).

All of the training activities the company organises are closely related to the core business of the company as a whole or the specific assignments of a division or employee (P 1), except when an employee asks for paid educational leave. When this is the case his or her participation is not always directly linked to the company. Paid educational leave provides employees²² the opportunity to further their careers and employment opportunities or general development through the completion of a training course. Thus, during paid educational leave employees can either follow vocational or general training.

Paid educational leave is a support (fund) scheme that is part publicly funded (by the federal government) and part funded through employer contributions. An employer can not turn down a request for paid educational leave autonomously because the criteria are provided for by law²³.

“This year, about 20 to 30 employees use paid educational leave for training or education. They use paid educational leave for studies and training courses they start on their own initiative. (...) Only the studies and courses related to the company are included in the training plan.” (SME 8 – M 1: 667-675)

A good example of the important role training plays in the SME, is the way new employees are trained. Every new worker has to follow an in-house training.

During half a day he or she receives an introduction on the firm and vital business information on aspects like safety, quality and environment. When workers change position or get other job responsibilities, a similar introduction course is given. Sometimes this introduction course takes two weeks. For the interviewed participant (P 1), this introduction of two weeks was partly an instruction on how “to do the job” and partly a period to try out the new appointed tasks. In that case, training was the consequence of a career change but it can also be the cause of it. Training can also open career possibilities and lead to the opportunity of holding a higher post in the firm. The line manager (LM 1) states that continuous learning and training increases an employee’s chances for promotion.

The firm also has developed a mentorship programme for new workers. During their first weeks in the enterprise, new warehouse workers receive guidance by an experienced worker who is trained to pass information and introduce the company’s customs to the

²² All private sector employees, including employees in small- and medium-sized enterprises and part-time workers.

²³ Because this leave is primarily paid by the employer with the normal wages, not all employers are enthusiastic about it. As a consequence some employees are not informed about this right or do not dare to ask the employing company for paid educational leave. This is clearly not the case for SME 8.

recruit. During those first introduction weeks, a report is made by the mentor on the mentee.

“This report is the feedback for the managerial staff on how the new worker is doing. This report is a sort of barometer for the introduction and further career of the employee.” (SME 8 – LM 1: 230)

Finally, to illustrate the overall awareness of the benefits of training and education, the human resources management mentions some statistics during the interview. White-collar workers spend 3 to 3,5 percent of their time on education and training. This percentage is even higher among the warehouse workers. The managers however, feel less urge to attend courses. According to the human resources manager it is hard to pinpoint the cause of this.

There are no fixed targets or benchmarks for individual employees with regard to training and education.

Because of the importance of training activities, the company has a specific budget for training and education. The training activities the SME organises are nearly ever co-funded by local, national or international public authorities. The European Social Fund (ESF²⁴) funded some of the company's training activities over the last four years, but this is not the case for in year 2008.

C – Formal Education within HRM/HRD of the Enterprise

C.1 Understanding of and awareness for formal education by enterprise

When talking about learning, two interviewees (M 1, LM 1) indicate that there is a difference between formal learning and informal learning. In their view, informal learning includes all the learning activities that take place on the shop floor, either accidentally or planned, goal-oriented or not.

“Informal learning is: giving guidance, steering the work force for a specific goal, ... Informal learning happens constantly, it happens everywhere, not necessarily in an educational setting. It happens “unplugged”. And sometimes informal

²⁴ The European Social Fund (ESF) is a European service to improve employment opportunities in the European Union and so help raise standards of living. It wants to help people fulfil to their potential by giving them better skills and better job prospects. The ESF Agency Flanders is responsible for managing the European Social Fund in Flanders. It manages the Flemish ESF programme, guides project promoters and disseminates information on various aspects of the European Social Fund.

learning leads to other results than you want or expect to.” (SME 8 – LM 1: 324-326)

Formal learning is, in their opinion, all learning that is organised with the help of an external organisation. For the white collar workers, the formal training activities outnumber the informal ones. For blue-collar workers it is the other way round (M 1). The reason why the majority of the courses for the warehouse worker take place on the job is that this turned out to be the most efficient and productive way of working, says the human resources manager (M 1).

The company has made an inventory of educational providers in its ‘management information system’ (M 1). Generally the enterprise only chooses providers with a Q-for²⁵ label. Sometimes, the company also enrolls employees for a course provided by Logos. Logos is the acknowledged sectoral training fund (*sectoraal opleidingsfonds*) for enterprises in international trade, transport and logistics. Sectoral training funds group enterprises according to their business activities or product sector. They offer their member organisations (and jobseekers) learning opportunities with an emphasis on the labour market's skills needs of their sector, they defend the interests of the member organisations and provide them with policy insights.

Even though just a small fraction of the training courses organised by the SME leads to a recognised certificate, this does not mean certificates are totally unimportant to the employees.

“A certificate is important for a lot of people. A lot of people want to grade up their level of education. For example, someone who dreams of becoming an engineer...” (SME 8 – LM 1: 353-355)

“The certificate is not too important to me... still it might come in handy if I ever have to look for another job.” (SME 8 – P 1: 79-81)

C.2 Experiences with formal education in the enterprises

As indicated, 20 to 30 employees are taking, at this moment, the opportunity of paid educational leave. Some of them use it for formal educational courses leading to an acknowledged certificate (like interviewed participant 1), but not all of them do. The company does not trace that.

To apply for paid educational leave an employee must put in a written request with their individual motivation and the name of the educational provider, thereupon the applicant receives the answer of the HRM division a few days or weeks later (P 1).

²⁵ Q-for is a quality system standard for training and consulting organisations. The Q-for quality label is developed especially for the training and advice market.

C.3 Regulations on and support for formal education

Besides the procedure of requesting paid educational leave, the company does not have any specific regulations on formal education.

Decisions on formal education are made the same way as they are made for the other types of learning (formal and informal). Important aspects in the decision-making process are the individual training plan, the association with the person's job responsibilities, the time schedule and duration of the course and the registration fee.

The company is willing to support and enhance all types of learning, formal as well as informal. The interviewed participant (P 1) indicates that the company usually complies with all the employees' requests for training or education.

C.4 Assessment of promoting and hindering factors for the use of formal education within the HRD approach

As already mentioned, training and education are very important in the company. This is clearly a result of the company's philosophy and business approach (see A.2 and B.1).

Lack of time is the most important barrier for the use of any type of education within the HRD approach. It is always difficult to fit training in to the daily routine, especially for the warehouse workers working in shifts (LM 1, M 1). Training courses always have an impact on the way the work is organised. A picker that is attending a course has to be replaced. This usually happens rather spontaneously, says the line manager (LM 1). Still, training might cause a pressure of time for the work force to cope with. Planning training during more quiet periods is no solution, he says, because there is no such thing as a quiet or calm period in the company. The human resources manager confirms that even the holiday season does not bring ideal circumstances for training.

D – Participation in Formal Education, Workplace Learning and HRD Policies of the Enterprise

D.1 The relation between workplace, workplace learning and the chosen formal education

The interviewed employee (P 1) follows a course in a centre for adult education (*centrum voor volwassenenonderwijs* (CVO)). The course focuses on ICT skills and the use of the Microsoft software programme *Word*. The course duration is four to five months (one evening a week).

To align the course schedule with her work schedule, the participant always informs her employer in advance when the course takes place.

In her opinion, there is no direct relation between her position in the firm, the things she learns on the job and the chosen formal education. Still, she argues that it is important for an employee to learn things that go beyond the current job responsibilities as a way

of keeping keeping options open (in society and working life) and to broaden one's horizon.

D.2 Decision on the formal education, processing of the decision and support/nonsupport by the enterprise

The employee (P 1) started her formal education out of personal interest. The training is not a "must", she says but something she wanted to do.

She does not see education and training as something that is always necessary or helpful:

"For some jobs, like being a picker, a lot of training is not needed. These jobs stay more or less the same. (...) When I started working in the warehouse, I got the hang of it very quickly." (SME 8- P 1: 33)

D.3 Formal education, individual career goals and the work-family-personal life balance

The interviewed participant (P 1) is very satisfied with the course she follows. The didactical methods that are used (a combination of theory and practice) live up to her expectations. She never thought about dropping out, although the participation sometimes tires her out physically:

"Sometimes the evening classes are very tiring, especially when I have an early shift the next day." (SME 8 – P 1: 130)

Her participation does not influence her personal life in any way. Nor does she have any suggestions to optimise the interplay between formal education, job responsibilities, personal life and family life.

She mentions she has had positive reactions of her friends and family to her participation.

D.4 Assessment of promoting and hindering factors for the use of formal education for supporting the daily work and for pursuing individual career goals

A factor that hinders participation in formal education is the interference between the work schedule and the training schedule. Providers of formal education do not adjust their time table to ordinary business hours.

The registration fee, which the participant paid herself, is not an element that might hinder participation (P 1). The participant used Training Vouchers to pay for the course,

but she argues that even without the financial contribution of those vouchers, she would still have enrolled for the course²⁶.

E – Synthesis - The Significance of Formal Education within the HRM and HRD of the Enterprise

SME 8 is an independent branch of an enterprise operating internationally. The company enjoys a very good HR reputation (being progressive, employee friendly, gender friendly, well-disposed towards minorities), without using this as a competitive weapon. In order to maintain a competitive advantage, the company focuses on quality and innovation. Being part of a group, internationalisation is also one of the current challenges for the company.

Because of those business strategies and challenges, training and education are essential. They are embedded in several aspects of the company's management of human resources (the internal communication, the evaluation system, the competence management system, etc.). Given the importance of training and education the company puts a lot of effort in identifying learning needs and solutions to meet the targeted needs. For this, the company uses a 'gap analysis'. This analysis compares the company's current performance with its potential performance. The gap analysis is the backbone of the company's training approach. Based on the conclusions of the conducted analysis the SME develops individual training plans for the employees. These plans are continuously revised and are flexible so they can be adjusted at any time to new interests that might come up.

The company organises and supports a variety of training activities, all closely related to the company's core business. The training activities cover an average of approximately 3 to 5 percent of the working time of the employees.

In case there is no clear link with the employee's current occupation, he or she can use the right of paid educational leave. There is clearly an extensive use of that right in the SME. Although this participation does not take place during paid working time, the enterprise still tries to align the training schedule of the participant with his or her work schedule as much as possible.

Lack of time seems to be the most important barrier in the use of any type of education. Even though the company has grown into a large enterprise in 15 years time, it still is difficult to fit the training into the daily routine, especially for the warehouse workers working in shifts.

²⁶ The part of the training costs covered by training vouchers that would have been made anyway is the dead weight effect. In the studies in which the dead weight effect is calculated this differs from 20% to 50% (van Elk & Koos, 2005). For the Belgian training vouchers for employees the dead weight effect has not been the subject of research. For the training vouchers for SMEs, the risk of dead weight loss seems to be very high (an average of 80 percent) (Op den Kamp et al., 2005)

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